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SOVIETS NOT FULFILLING GRAIN PURCHASE CONTRACT

PY230255 Buenos Aires CLARIN in Spanish 22 Jul 86 p 5

[Excerpts] Agriculture Under Secretary Fidel Braceras said yesterday that "for reasons of internal policy," the Soviet Union is avoiding the Argentine grain market this year and "has not yet fulfilled the contract signed with our country."

Leaving aside the reasons for which the Soviet Union is not buying from Argentina, it should be noted that it is easy not to comply with the contract because of flaws in its writing: "The Soviet Union commits itself to purchase in 1986..."

With a contract written that way, the Soviets can wait until October or November to order the shipments needed to complete the 4.5 million tons of grain (4 million tons of corn and 0.5 million tons of soybeans) that they are under the obligation to buy according to the contract. At that time, Argentina will no longer have exportable surpluses to fill the order. The Soviets will then be able to blame Argentina for noncompliance.

"Reasons of internal policy" may exist in the Soviet Union not to buy grain from Argentina and to bypass the contract. However, there are also other reasons.

In the first place, the Soviets pay attention to prices and timely delivery. In an international buyer's market, the larger exporters are selling grain at low prices by subsidizing their own farmers or exporters with low-interest financing. Argentina cannot do this, and as for timely delivery, our country has not been a model.

In the second place, the Soviets take reasons of trade policy into account. They have been complaining that Argentina does not buy in quantities equivalent to what it sells. In fact, Soviet exports to Argentina are only about one-tenth of Soviet imports from Argentina.

In the third place, the Soviets have the European Economic Community (wheat supplier) close at hand, and they maintain constant negotiations with the United States, a supplier that has embarked on a trade war with the European Economic Community, fighting against it with low prices and easy financing. In addition, the United States offers timely delivery. With international prices declining, the Soviet Union is in no hurry to fulfill previously signed contracts. The Soviets are waiting to buy what they need because they know that prices will continue to slide. [passage omitted]

Through the end of May, the Soviets have bought only 600,000 tons of grain, 40 percent of which was corn. [passage omitted]

BRIEFS

UNDER SECRETARIES APPOINTED -- Buenos Aires, 10 Jul (TELAM) -- Eight new under secretaries have been appointed at the Public Works and Services Ministry. They are Public Works and Services Under Secretary Luis Lucioni, Telecommunications Under Secretary Juan Magliano, Radio Broadcasting Under Secretary Roberto Tezon, Communications Planning and Technological Activities Under Secretary Leonardo Leibson, Public Works Under Secretary Jorge Laprida (who will no longer be telecommunications under secretary), Merchant Marine Under Secretary Siquot Ferre (who no longer will be vice president of the Argentine Shipping Lines), Transportation Under Secretary Rodolfo Huici, and Transportation Planning Under Secretary Eugenio Negre. [Excerpt] [Buenos Aires TELAM in Spanish 2329 GMT 10 Jul 86 PY]

GOVERNMENT ISSUES COMMUNIQUE ON ANTIDRUG ACTION

PY231531 La Paz La Red Panamericana in Spanish 1130 GMT 23 Jul 86

[Text] In a five-point communique issued by the Information Ministry, the government states that the antidrug operation is being conducted jointly by the U.S. Justice Ministry and the Bolivian police. In the communique, the government clearly establishes its position toward the reports published by the press, particularly the U.S. press.

The communique states that the distorted interpretation of the situation is totally groundless, because the antidrug operation was designed in keeping with the terms of existing bilateral cooperation agreements.

The government maintains that the U.S.-Bolivian cooperation is based on agreements like the one signed in 1961 at the United Nations, the supplementary protocol signed in 1972, and the plan of Action signed by Bolivia in Rio de Janeiro.

The communique states that it is absurd to say that the Bolivian Government is engaged in a joint military maneuver, because that would have called for congressional approval, as was the case prior to the joint U.S.-Bolivian military exercises conducted last April.

The communique points out that the irresponsible and sensationalistic handling of the information has in some cases led to inaccurate conclusions.

Interior Minister Comments

PY231454 La Paz La Red Panamericana in Spanish 1130 GMT 23 Jul 86

[Excerpts] Panamericana correspondent Mario Flores on 22 July participated in a government-sponsored journalists' tour of the Beni area, where the antidrug operation is under way. Our correspondent attended a news conference hosted by Interior Minister Fernando Barthelemy and General James Taylor, chief of the operations being conducted in the Beni jungle. The presence of U.S. troops in Bolivian territory has been confirmed. We will now hear an excerpt of the statement made by Barthelemy at the theater of operations.

[Begin recording] It is not possible to make use of such formalities in actions of this kind, in which success relies heavily on the secrecy of the operation. We have not been totally successful because some journalists and some news agencies, eager to be the first to report on the operation, disclosed the information too early.

The Constitution sets forth that Congress must authorize the entry or presence of foreign military troops on Bolivian territory. It should be recalled that this constitutional regulation was approved many years ago and that the current Constitution was approved in 1977, when no one knew the magnitude that this type of international criminal activity might reach. We have said at international forums that drug traffickers have attacked Bolivia. It is evident that drug trafficking is being run by foreigners, who have violated our sovereignty and who have recruited some bad Bolivians for their devastating, criminal activities. [end recording]

The minister admitted that the government did not ask Congress to authorize the presence of U.S. troops in Bolivia because the operation called for secrecy.

However, the minister said that the operation would have been a total success had the press not reported on it, adding that the early release of the information helped the drug traffickers escape.

The journalists were also informed of the presence of over 100 U.S. troops on Bolivian territory. Chief of the operation Gen James Taylor provided a comprehensive explanation to the press through an interpreter. [passage indistinct including Gen Taylor's statement]

Gen Taylor, who said that the U.S. troops came to Bolivia aboard a Galaxy aircraft from Panama, is the chief of operations. He added that the operation had been planned for a long time and that it has a specific objective: to eradicate drug trafficking from this theater of operations.

MNR REPORTEDLY SIGNS SECRET PACT WITH DPRK

PY230411 Paris AFP in Spanish 2259 GMT 22 Jul 86

[Text] La Paz, 22 Jul (AFP) -- The weekly publication ABC revealed here today that a sector of the Bolivian ruling party, the Nationalist Revolutionary Movement [MNR], has signed a secret pact with the North Korean Communist Party.

ABC reported that the agreement was signed on 28 April 1986 by leaders Nulfo Chavez Ortiz (current Bolivian ambassador to Peru), Javier Campero Paz, and Carlos Ponce Sanjines on behalf of the MNR, and by Li Mong-ho and Pak Sun-yong on behalf of the Korean Communist Party.

The pact was reportedly signed in La Paz, when the Korean politicians arrived in this capital, on the occasion of the Bolivian Communist Party congress. This pact reportedly seeks the breaking of Bolivian diplomatic relations with South Korea and the establishment of new ones with North Korea.

ABC adds that President Victor Paz Estenssoro, top leader of the MNR, is reportedly not in agreement with the secret pact signed by his party leaders.

SARNEY PRESENTS NEW ECONOMIC MEASURES

PY240251 Brasilia Domestic Service in Portuguese 2330 GMT 23 Jul 86

[Address to the nation by President Jose Sarney from Planalto Palace on 23 July -- recorded]

[Text] Brazilian men and women: Once again the president is asking for your attention. Today we have adopted some measures, the objectives of which are to guarantee the success of the Cruzado Plan, to eradicate inflation, to maintain the price freeze, and to prepare Brazil to assume its place in the 21st century. With each passing day, I am more convinced that I will be the last president of an underdeveloped Brazil, immersed in poverty and without an identity. I am here to assume responsibilities and preside over an affirmative government. The people expect decisions from this government, and it has made decisions.

Rapid consumption together with the lack of investments cannot surpass limits imposed by our current production capability, or inflationary pressure will be renewed. However, nothing will endanger the price freeze, because no one wants the return of the inflationary malady to undo the Cruzado Plan. Therefore, this is the time to expand investments and infrastructures, modernize industry and agriculture, build an advanced scientific system, master high technology, and do away with extreme poverty. There is no other way to guarantee economic progress and sustain social programs. The historical experiences that separated the development of the economy as a whole from the improvement of the living standards of the people have been tragic.

Brazil has the material and moral conditions to resolve its problems. It cannot postpone initiatives that will make possible the emergence of a more equal and just society. This new democratic society will become a reality only when the extreme poverty and hardship which castigates one-fifth of the Brazilian people is eradicated. This, I can assure you, is our greatest objective. It is for this that we ask everyone's cooperation. It is possible; actually it is imperative to envision a country in which every Brazilian is guaranteed the minimum standard of living. Only in this way we will have left behind the suffering of underdevelopment.

The world of the future is here. It will not be a world of poor and rich countries, but a world of nations that have mastered technology and of nations that are culturally slaves. The great objective therefore is to free Brazil from all dependencies: economic, social, scientific, and technological. However, to do this it is necessary not to be afraid to consolidate democracy by learning how to live in democracy, to defend the Cruzado Plan, to protect the economy of the people, to grow, to progress, to modernize Brazil for the new times. The future, not this generation, or myself, will suffer for the lack of national vision and the courage to dare. If you want to be daring, Fernando Pessoa used to say, be daring.

I invite the Brazilian people tonight to join in this task of building the future as another stage of the New Republic begins. Brazil is doing well. Let us walk together now to build the future to avoid chaos. Our first task was to restore the institutions, restore freedom and democracy, eradicate authoritarianism, and fulfill the promise made by Tancredo Neves, a promise that can be summarized in one sentence: Change Brazil. This was fully achieved because Brazil now has a government of the people, and it is respected abroad as a sovereign democracy; not submissive to the great powers nor a prisoner of minor conflicts.

The second stage was to confront the economic anarchy, the devastating inflation of those terrible days that we had to live. We then promulgated the Cruzado Plan and, thank God, runaway inflation was brought under control, and speculation was banished. The Cruzado Plan, however, was not the final destination. It was in fact a point of departure to change our behavior, our mentality, and our attitude. I ask all Brazilian men and women to consider tonight the hard times we have been through.

The third, difficult stage now begins. We have drawn an ambitious plan of goals through which \$100 billion will be invested in 4 years. This will be our money, coming from budgetary resources and from the National Development Fund, which was created today. This will change the face of the country. The objective of this plan is to prepare the structures for the 21st century when Brazil will have become an economically developed country, free from poverty. The goal is to have a rich Brazil, with a standard of living for all the people that is equal to continental Europe, without the shame of hunger and poverty.

We can dream of great things. Let us invest in the social sector, in transport, energy, science and technology, education, and health sectors. Let us reduce the regional imbalances and open the windows that will keep Brazil safe from the economic and institutional setbacks. Let us renew, transform, create, and motivate the youth and all the people to face the challenge of eradicating misery and of giving dignity to life. In short, let us face the challenge of beginning the great final take-off of our country.

The economic stabilization program has ended the monetary correction. It has reduced inflation to levels that during the past 4 months have dropped to 0.62 percent. Previously we had a monthly inflation rate of 15 percent.

The basic food basket cost dropped by 5.7 percent. Financial speculation has disappeared. The purchasing power of the workers' salaries has increased greatly. The poorest sectors have been favored, and a real transfer of income has taken place. Employment has increased, production has increased everywhere, and there is demand for manpower.

Brazil has never lived through such a period of peace, of progress, and the people have never been so satisfied with the country. The small expected difficulties have not been able to upset our victories. The success of the Cruzado Plan has been complete. It has confronted a series of powerful attacks, but the results favor the government. However, now we must preserve these victories and these results. I have the obligation to preserve them, to do everything so they will never disappear.

To avoid any threat to the Cruzado Plan, I will adopt any necessary measure to guarantee the maintenance of the benefits acquired by the people: no inflation whatsoever, no increase in prices, and no lifting of the price freeze.

On the other hand, the government must be a historical monument of the country. The government must be a monument of achievements and changes. The government cannot rest for having killed the inflationary monster. It must work, construct, and build the foundations of the future.

The National Development Fund, which is now created, represents an effort to prevent delays in the development of Brazil. We must maintain our development and employment levels; create infrastructure conditions so that private initiative will become the leading force of our economic development.

These are economic measures intended to complete the Cruzado Plan, to defend it from its enemies, and at the same time to guarantee the country's growth; growth and more employment, better salaries, and greater prosperity for all.

It is essential, and this is a sensitive point for me, to have the understanding of the people regarding the refundable tax that has been created. This refundable tax is a savings. It is not a simple tax. That is, all those who consume gasoline or purchase cars, whether new or used cars, will participate in a fund that will be similar to a savings account, with all the advantages of this savings account, for 3 years. I have excluded taxis from this refundable tax.

Since our money is strong, the owners of this refundable tax will have a savings account they will be able to use in the future. This program of goals is a program of great scope. It demands the creation of financial instruments that will keep public accounts in order and will protect people with lower incomes.

The National Development Fund has been created to meet your needs and to provide an additional savings each year on the order of 3 percent of the Gross Domestic Product, which is indispensable to guarantee the investments provided for in our plan. All this must be achieved within the Cruzado Plan, that is, within a zero inflation rate, and I repeat, the price freeze and the maintenance of economic growth.

The contribution from the high-income classes will be obtained through taxes that will be proportional to expenditures on nonessential goods and services. The most successful Brazilians will provide a valuable aid for the recovery of millions of poor Brazilians to build a better future for their children and grandchildren.

The government has made it a point to guarantee more affluent taxpayers, who are now charged a refundable tax, the same earnings the market can offer. We intend to turn each citizen into a partner and overseer of the undertakings that will be tackled with resources of the National Development Fund.

Co-responsibility in administering public funds is the most appropriate form of guaranteeing effectiveness in the use of the money that does not belong to the government but to all of us. The government, austere and respected, increasingly implemented a system of reducing expenditures to the essential level. The public deficit in the government's current account, which in 1985 was 1.3 percent of the Gross Domestic Product, will be reduced to 0.6 percent in 1986.

State enterprises are under control. Public accounts have been readjusted. We are also working on streamlining public administration, and shortly the administrative reform will begin to yield its fruits. We have decisively invested in the social sector. Our programs are developing. We are already distributing, daily and silently, 1.5 million liters of milk among children up to 6 years old, children who have never tasted a single drop of milk.

The government is sensitive to the workers' demands. At this time we are sending to Congress the Collective Bargaining Law, which will mark an important landmark in the relations between workers and employers. Overcoming all kinds of resistance, the Agrarian Reform is forging ahead. All that we are doing today is intended to defend the Cruzado Plan and to finance the country's plan of goals, which will be like a springboard for our development.

I can say that the plan of goals is just another name for the Cruzado Plan, because both respond to the same line of thinking based on price stability and social justice. Those who expect the government to retreat from strict but necessary measures are mistaken. Those who harbor this expectation show disdain for the intelligence of the people, whom they vainly seek to deceive all the time. We can say about them what Tayllerand used to say about the Bourbons: They have not learned or forgotten anything.

Once more, I ask the people not to be just overseers for the president. I want to recall a phrase that one night in the past I used to address the nation: Put yourself in my shoes and be overseers for the president. I now add: Be a president yourself and evaluate the seriousness and importance of the decisions that have to be made, the heavy responsibility resting on my shoulders. Then take a look at the progress we have made and the road we have left behind. We have done well, despite the wishes of many people to the contrary. What I have done was only possible because the Brazilian people supported me. My strength is the strength of the people. Let us have confidence, let us stay together, because the Brazilian people together are better than any one of us individually. The Brazilian people have patriotic sentiments, and they are, therefore, the guardians of our future. Brazilian men and women, each of you be a president, and let us govern together! Thank you very much, and good night.

SARNEY SIDESTEPS CONTROVERSY WITH PT PRESIDENT

PY231557 Rio de Janeiro O GLOBO in Portuguese 22 Jul 86 p 3

[Text] Brasilia -- "I do not want to get involved in a controversy. I am not concerned about that matter," President Sarney said yesterday, thus avoiding a response to the PT [Workers' Party] criticism against the government. During a rally held in Cacapava, in the interior of Sao Paulo, PT President Luiz Inacio "Lula" da Silva again lashed out at the government. According to a report from Radio El Dorado in Sao Paulo, Da Silva stated: "Power must be seized by the workers, or by their conscientiousness as a class, or by force."

Presidential spokesman Fernando Cesar Mesquita has stated that Lula's statement preaching violence "confirms reports made by rightwingers who are charging the PT with seeking to disturb the established process." According to the presidential spokesman, Presidente Sarney is not concerned over Lula, but over national problems.

Mesquita added that Lula's statement is more inciting "to rightwingers than to centrists." In Mesquita's opinion, both the PT and the CUT [Sole Central Organization of Workers] are preaching violence, which does not enhance the democratic process.

Concerning the statement made by the PT president that power must be seized by the workers, Mesquita said that the government does not want to enter the controversy.

"The government does not want to engage in such a thing. Lula is playing his role, but he is leaving a margin for interpretation by right-wing sectors," Mesquita said.

Fernando Cesar Mesquita said that it will be difficult for Lula's criticism of the way the government is conducting the land reform issue and the Cruzado Plan to destabilize the economic program.

"Lula will not destabilize the Cruzado Plan, because it is a solid and strong program," the presidential spokesman concluded.

When asked about Lula's statement, Military Household of the Presidency Chief General Rubens Bayma Denys said: "We are always concerned over all problems."

Lula will grant a news conference today at 1400 at the PT headquarters to present to the press a copy of the legal action he will file against the authorities, who have held the PT responsible for the incidents in Leme.

GUIMARAES SEEKS ADDITIONAL LEAVE OF ABSENCE

PY231555 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jul 86

[Text] Deputy Ulysses Guimaraes yesterday in Brasilia asked for another leave of absence from the Presidency of the Chamber of Deputies. Guimaraes has asked for leave from 27 to 31 July to attend to private affairs. However, his real reason for requesting leave is the desire to avoid having to assume the Presidency of the Republic during President Sarney's visit to Argentina. If Suamaraes were to assume the presidency, he would become ineligible as a candidate in the upcoming November elections. Meanwhile, Senate President Jose Fragelli has already agreed to act for President Sarney during his absence.

SURVEILLANCE OF BORDERS WITH BOLIVIA INCREASED

PY220245 Brasilia Domestic Service in Portuguese 2200 GMT 21 Jul 86

[Text] Two Brazilian Air Force helicopters are being used to support the border operation being conducted by the Federal Police along the Brazilian-Bolivian border, to prevent the entry of cocaine traffickers from Bolivia. Federal Police Director Remeu Tuma has already confirmed that this week he will be in Rondonia to follow the operation closely.

JUDGE TURNS BURN CASES OVER TO MILITARY COURT

PY232100 Madrid EFE in Spanish 1948 GMT 23 Jul 86

[Text] Santiago, 23 Jul (EFE) -- Judge Alberto Echavarria today handed over to a military court the case of the two youths who were burned alive in Santiago on 2 July. One of them, Rodrigo Rojas, died from the burns. Before declaring that he has no jurisdiction and handing over all the information to the 2d Military Court in Santiago, Judge Echavarria ordered the arrest of Lieutenant Pedro Fernandez Soto on charges of manslaughter.

Echavarria, who has the rank of minister of the court, also ordered the release of the two officers and five noncommissioned officers under arrest.

GOVERNMENT ANSWERS EPISCOPAL CONFERENCE DOCUMENT

PY230328 Santiago Radio Chilena in Spanish 1700 GMT 22 Jul 86

[Text] We are now in contact with La Moneda Palace. Let us recall that the government has released a note harshly criticizing the latest document issued by the Chilean Episcopal Conference. In a note distributed at Government House, a high-ranking source who refused to be identified stated that the bishops have criticized the police and Armed Forces regarding the causes of violence.

[Begin relay from La Moneda Palace by Eliana Henriquez] Good afternoon. A high-ranking source at La Moneda Palace stated today, in a written statement, that the document issued by the Episcopal Conference on the causes of violence, entitled "Happy are the Builders of Peace" contains only destructive criticism against the police and Armed Forces, mistakenly criticizes procedures used by the police and Armed Forces, and charges that the government seeks a militarization of the Chilean people's civilian life.

The written statement released today at Government House reads: The so-called episcopal letter has 12 points, and 1 of them states that one of the causes of violence is the prolonged suffering of so many brethren. It adds that in most towns and universities the people are enduring hunger, cold, crime, dismissals, debts, raids, exile, drug addiction, and many other problems.

The La Moneda source stated that government authorities have no time to worry about this type of document, which was probably prepared and edited by liberationist bishops. The note released today at La Moneda Palace concludes by saying that the bishops' document contains only destructive criticism against members of the armed and police forces, unjustly attacking their procedures, and stating that this government seeks to militarize the civilian life of the Chilean people. [end relay]

This was the statement released by a government source which refers to the document issued by the Chilean Episcopal Conference. That document was released on 13 July and is entitled: "Happy Are the Builders of Peace." I will mention some of the points included in the Episcopal Conference document: One cause of violence, it states, is prolonged suffering of so many brethren in towns and universities. There are young adults and children suffering hunger and cold and those who have no money even for bus fares. To this we must add the earthquakes, floods, crime, dismissals, difficult access to health or education; debts, raid, the lack of family life, exile, alcoholism, and drug addiction. These are some of the causes of violence.

The bishops' document adds: We know of the efforts being made by the government and many others to overcome or alleviate some of these problems. But they are not sufficient. A great united economic thrust is necessary to alleviate quickly the most critical situation and to fight the causes of violence.

The bishop's document adds that the other causes of violence are lack of participation, especially in political activity, the vertical exercise of authority, the adoption of decisions with no previous consultations or the necessary explanation to the affected sectors, the rejection of dialogue, and suspicion regarding many independent initiatives or meetings not authorized by the government which create a climate of increasing frustration. This also generates distrust or rejection of government initiatives, although they may be correct, and forces those who do not want violence to think that only they must be heard and taken into account.

The bishops add that effective channels of participation at all levels must be established, in the universities, in political and labor sectors, in the grassroots organizations. The citizens' opinions must be taken into account so that the decisions adopted may be accepted and assumed by them.

A third cause, the bishops' document adds, is related to the military nature of the regime -- this point was mentioned in the answer given this morning. This does not mean a rejection of the Armed Forces as such. The Armed Forces have always enjoyed the Chilean people's appreciation. It does not mean that the capacity demonstrated by some military officers in fulfilling their civic tasks is denied. It is the militarization of the civilian life that conflicts with the way of living of most citizens.

This is part of the bishops' document which today received an answer by a high-ranking source from La Moneda Palace.

STUDENTS OCCUPY THREE SCHOOLS IN SANTIAGO, 77 ARRESTED

29 Arrested at Law School

PY232128 Santiago Domestic Service in Spanish 1700 GMT 23 Jul 86

[Escrpts] A group of 29 students was arrested while illegally occupying the Law School of the University of Chile. The incident started when staff members closed the school's entrance, thus prompting a dispute between members of the illegal Popular Democratic Movement and the Christian Democrats. Carabineros intervened to safeguard public order and arrested, among others, the following persons: Ricardo de la Maza; Juan Carlos Corvalan, Gabriela Macaya, Paulo Lizama, Marcelo Rojas, Chilena Perry, Jorge Munoz, Maria de la Paz Montecinos; Andres Ugarte, Miguel Cruz, Arturo Garnhaman, Miguel Codu, and Paola Brusoni. [passage omitted]

The illegal occupation of the University of Chile has been rejected by most university students, who also repudiated the ambiguous action of the Christian Democrats. [passage omitted]

The 29 arrested students were taken to Carabineros Station No 10.

Demonstrations Broken Up

PY232221 Paris AFP in Spanish 2134 GMT 23 Jul 86

[Text] Santiago, 23 Jul (AFP) -- Student leaders have reported that over 70 students were today arrested in Santiago when the police conducted repressive actions against the protest demonstrations in three university centers.

The first disturbances broke out in the Law School of the University of Chile, which was today taken over by demonstrators demanding the release of Gonzalo Rivera, vice president of the Federation of University Students, who was jailed 3 weeks ago. Students indicated that the police entered the Law School and evicted the students, arresting 27 of them.

Similar incidents occurred at the Metropolitan University of Science and Education and the Santiago Professional Institute. These facilities were also taken over by students who demanded the release of Rovira and greater state support for higher education. In these two incidents Carabineros used water cannons and tear gas to break up the demonstrations, arresting over 50 students.

CHRISTIAN DEMOCRATIC LEADER ON DEMOCRATIZATION

PY222210 Santiago EL MERCURIO in Spanish 13 Jul 86 p C 2

[Unattributed article entitled: "Former Senator Andres Zaldivar Proposes Political Formula" -- quotation marks as published]

[Text] While national political scene tends to have a confusing outlook, various ideological sectors are making an effort to evaluate our reality and make proposals which they think will solve our most urgent problems.

Within this context of many different opinins, there are people who, based on their extensive political background or on their clear aim to set things right, are expressing their own point of view. This is the case of Andres Zaldivar, leader of the Christian Democratic International and Chilean Christian Democracy [DC], who has recently made public a substantial part of his thoughts on the current situation.

According to the former minister, "We are being dragged into a violent confrontation," since "the government and the opposition move along two parallel lines which will never meet." This truth is based on the fact that "the government claims it is not willing to modify the 1980 Constitution or its timetable because it is the only way to achieve a democratic and stable regime for the future. Meanwhile, the opposition wants to end the regime and install democracy because it believes that it is the way of life and the path that will allow the reconstruction of national coexistence."

Since neither of the two seem willing to give up their position, a confrontation seems inevitable. This situation is being used by an opposition sector which "even though a minority, is willing to use violent methods, and is convinced that answering the government's tactics with terrorism is legitimate."

This concern expressed by Zaldivar promoted us to ask about the possibility of a peaceful solution, to which he replied positively: "It is necessary, what is more it is essential that the Armed Forces and the civilians seek and reach an agreement based on a mutual transaction which will become a political plan with a previously agreed-upon timetable."

Based on this premise, Zaldivar has proposed what he calls a "political plan for transition to democracy." This plan envisages the following procedures and measures:

"The Armed Forces and civilians should agree to implement measures endorsed by nearly all the political and social representatives."

"When I say nearly all, I say it because nearly all the political leaders, without exception, have made statements on this subject. Even the Independent Democratic Union [UDI], which is closest to the government, has recently ratified this position.

The following are measures that could be implemented immediately:

- a) The end of exile;
- b) The normalization of the universities, giving them autonomy to elect their own authorities with the effective participation of teachers in the management, activities, and the elections of authorities. This means an end to government-appointed rectors;
- c) The suspension of the implementation of Transitory Article No 24;
- d) The lifting of the restrictions on all basic freedoms, especially the freedom of expression, information, meeting, and association; and
- e) The beginning of an electoral registration in order to carry out elections as soon as possible.

Regarding the socioeconomic aspect, Zaldivar said that "effective and urgent solutions should be sought to aid the poorest social sectors, especially in the fields of unemployment, housing, and health."

"Among these immediate measures it should also be agreed to suspend the education sector's municipalization process until the country's democratic life returns to normal."

The DC leader believes that the adoption of these immediate measures will contribute to easing social and political tensions and to restoring an atmosphere of confidence among the parties, which will allow the implementation of the other measures contained in the political plan."

In addition to his short-term proposal, Zaldivar seeks to review one of the chief points of the government's platform; namely the Constitution, because he believes that "there has been a consensus on the need to amend the 1980 Constitution. This belief has been expressed in statements by Government Junta members, religious and spiritual authorities (such as the Catholic Church National Episcopate, the Evangelical Church, and the Freemasons), political leaders of the opposition as well as of the government, and those linked to it; leaders of social and business organizations. This does not mean that anyone has renounced its convictions over the legitimacy or illegitimacy of the Constitution."

In this regard Zaldivar added that "I believe that there is a consensus on the need to make the following constitutional amendments:

- "a) That presidential elections be carried out with the direct participation of the Chilean people without the option of pluralist candidacies;
- "b) That the parliament be entirely elected by the citizenry, enjoying full constitutional powers, based on qualified quorums like the ones provided for by the constitutions of democratic countries that guarantee the stability of the constitutional norms.

"c) That there be an additional amendment, concerning which there have been various favorable opinions, especially by persons linked to the government, such as former Interior Minister Sergio Jara. This additional amendment would be that the parliament, including the amendments mentioned earlier, be elected much sooner, that is, within the third quarter of 1987 at the latest.

"Once the electoral registration process has been concluded, the citizenry should be summoned for a plebiscite to voice their opinion on the aforementioned constitutional amendments.

"This plebiscite should comply with the requirements that will make it credible and serious in the eyes of the people."

The results of the plebiscite would have various consequences. In this regard Zaldivar pointed out that should the results be positive, it would be necessary to implement the transition process through the implementation of the approved constitutional amendments.

For this the following would be necessary:

"a) To pass the laws, especially those referring to political parties and the electoral system, and to review the law on electoral courts. All this should take place during the time between the day after the plebiscite and that set to elect the National Congress. A commission in charge of drawing up the text of these laws should be appointed.

This commission should be appointed within 30 days after the plebiscite is held, and could be formed by persons who proportionately represent all the political sectors of the nation. Some of its members should be experts on constitutional affairs.

b) Once the political laws have been drawn up and approved, the date for electing the parliament will be established at least 90 days in advance;

c) Once the parliament has been elected and its pertinent legislative, constituent, and supervising functions established, it will be in charge of setting the date for electing the president of the Republic. This date should be between 6 and 9 months from the time it is set."

According to Zaldivar, to decide "who will preside over the transition process" entails considerable risk, because this might jeopardize the feasibility of the proposal.

He believes that "the Armed Forces and the forces of order can be entrusted with the people's confidence and, as such, they can be entrusted with the mission of designating who will preside over the transition. It might be a member of any of the three services, or a civilian, who will be automatically disqualified from running for any elective post, particularly the post of president."

Zaldivar believes that this is an obvious precondition, because "it is the only way of guaranteeing, at least formally, that the person who will have practically all the power concentrated in his hands will remain impartial during the election."

"This precondition is also necessary to prevent the Armed Forces from becoming involved in an election without sufficient guarantees of a clean and impartial process," he said.

As for deadlines, the former minister believes that 1989 cannot be considered as a fixed deadline. "Any deadline can be changed if it helps achieve an understanding among Chileans and if it helps avoid confrontation."

Zaldivar added that "in no way can one maintain that moving the 1989 deadline would mean a defeat for the Armed Forces and the forces of order, because they are committed to the nation rather than to a person or a specific deadline." Yet he admitted that "the issue should not be given too much importance, because any transition will take about 2 years."

Zaldivar also referred to other issues over which there is concern. Such issues are "the stand toward antidemocratic conduct, the Armed Forces during the transition and during the new democracy, and the behavior of the social and political forces during the transition and during the early phases of democracy."

In this regard, Zaldivar considered that the National Accord for Transition Toward Democracy provides a proper approach. However, he adds other ideas of his own.

"Ideas cannot be persecuted in a democracy, because of the essential basis of democracy and because of the unrestricted respect for human rights in a democratic system. To disagree with this principle is to follow the path of totalitarianism. If some sectors can be eliminated today, others might be eliminated tomorrow. The persecution of ideas belongs to dictatorships and totalitarian regimes, not to democracy."

Zaldivar admitted, however, that this should not be considered as an absolute truth and that "it is possible to enforce institutional regulations to punish individuals or groups who attack the system, or to create a court that will be independent from the three branches of government and from all sociopolitical sectors. Democracy entails risks and poses several questions; but, as Churchill used to say, it is the best of all known systems."

Zaldivar said that "no one can seek to destroy or harm the Armed Forces. They are part of our national being and they must be protected, trying to avoid any situation in which they will emerge politically or militarily defeated."

Consequently, "the Armed Forces must be given guarantees that the peaceful transition toward democracy will not be used to promote revenge or hatred." Zaldivar recalled a statement made by General Matthei in October 1984, when the Air Force commander said that "no commitment assumed by either the government or the parties can prevent an individual from filing suit against those who have violated his rights." Zaldivar said he agrees with Matthei.

Furthermore, Zaldivar emphasized his viewpoint by stating that "by no means do I endorse trials of the Armed Forces and forces of order as institutions as a precondition for national reconciliation. Whoever seeks the contrary and believes that vengeance and hatred are the way to follow, is mistaken. The people must guarantee that behavior."

Zaldivar reasserted: "Once democracy is restored, the Armed Forces will fully resume their professional role, subordinate to the constitutional powers without being used in politics but fully participating in national activities."

"In the first place, all the political and social forces must seek a broad national consensus to establish the institutional bases for democracy to function."

The political and social forces "must cooperate and often give up legitimate hopes to allow democracy to be restored in our country. History teaches us that this must be so. This was done in Spain through the Punto Fijo Pact; in Colombia; and now in Argentina, Brazil, and Uruguay."

Zaldivar stated that the National Accord for the Transition to Full Democracy is a serious beginning, which may be strengthened to seek a "Consensus for Governability."

"A transition to democracy is not possible if one immediately seeks ideological confrontations or intends to further party interests at the expense of national interests. A constitutional pact and a social and economic commitment among all the political, trade union, and social organizations are required. Everyone must assume such a commitment. No one may exclude himself or be excluded."

"I believe that the seriousness of the political proposal outlined here forces me to clarify some concepts concerning economic and social issues that are to be considered during the period of transition and the "strengthening of democracy in Chile."

In the first place, Zaldivar stated, "I express my adherence to the eight points of consensus on economic-social issues contained in the National Accord, points that can be strengthened. I would like to elaborate on this matter. The country cannot return to the situation in which tension arises every 6 years due to presidential elections. Everything or nothing was at stake in every one of those elections. Quite often a political project represented a deep change in all these rules."

In this regard, Andres Zaldivar stated that "we must learn from the experience gathered by all modern democracies, especially in the post-war period. In their constitutions, those democracies have included standard rules that are compulsory for all sectors, whatever their ideological leanings. A liberal, Christian Democratic, or socialist government may assume power but this does not lead to a drastic change in the rules of the game."

"No ruler seeks to resort to the extreme of statism or move to free-market extremes. The critical difference is whether liberty and justice are achieved through greater participation by the government in the economy to favor certain actions for social change; or else, whether liberty and justice are better developed by leaning more strongly toward private enterprise without leaving aside the state to prevent abuses in the market."

In conclusion, Zaldivar's position is completed with an extensive and comprehensive review of the state, its scope and its role, using the European experience as a reference to define the state's role in the new political era he is advocating for this country.

BETANCUR ADDRESSES HOUSE OF REPRESENTATIVES

PA210159 Bogota Television Service in Spanish 2347 GMT 20 Jul 86 .

[Speech by President Belisario Betancur Cuartas to the House of Representatives in Bogota -- live]

[Excerpts] Mr President, Mr Secretary, honorable representatives, ministers, members of the top military leadership, officials, members of the media, guests, and compatriots:

As the end of its term draws nearer, the government summarizes in this report to the chambers a duty it has fulfilled. The limitation of power in terms of time in office and means available is the essence of democracy. If governments are judged by what they do and fail to do, the way in which they conclude their terms should be taken into consideration in the inventory of their actions; and more specifically, the way in which they determine the succession of power.

This process has been calm and clear; the transfer of power will be calm and clear. Although it appears as natural thing -- so natural that it is not even acknowledged with surprise, and there is no discussion about its legitimacy -- it should however, lead to some mediation, because the current calm transfer of power reveals our political nature and teaches us how much we Colombians learn from our own experiences. [passage omitted]

Given that in politics there is nothing more vicious than a lack of flexibility, we must praise the prudence of the 1968 legislators who facilitated a gradual transition toward more modern and open ways of exercising democracy, because if we greatly dislike the perpetuation of one person or party in government, we should also end up disliking a rigorous alternation and forced balance of power. [passage omitted]

Knowing how to make timely reforms is not an always-present virtue in a society subjected to changes and operating in several directions; these changes are often more spontaneous than regulated, more extensive and chaotic than orderly.

It has been correctly said that development is more a mental attitude than an expression of material indicators. As a mental attitude, development is a derivative of culture and especially of political culture. Thus, more than just the economy, it is the possibility of development which is determined by politics. The economy must either be a an accessory of politics, or it should become a political economy that full reflects its social, cultural, and political dimensions.

That is why, honorable representatives, we believe today that a lack of development models is not due so much to an inadequacy of internal variables -- such as the relationship between savings, investments, and consumption, or the orientation toward the internal or foreign markets, which are not insignificant factors -- but due to the restricted nature of the political and social structures, and even to unawareness of the specific way in which national cultures operate.

Today, the return to democracy in the majority of Latin American and Caribbean countries, as well as in many points on the globe, sadly shows the price paid in the past for a social situation that alternates between the two poles of power and anarchy.

Phenomena such as the increasing foreign debt -- partly acquired in connection with unproductive consumption like the arms buildup -- or the disaster involving an industry bankrupted by speculative and financial movements, perhaps would have not been possible in an active democracy because of all the controls that it [10-second break in reception] totalitarianism, but is due to a failure of democracy which in some cases has committed the mistake of engaging in hasty reforms that disrupt the state, or due to regimes indifferent to the minimal social and economic discipline required to survive and develop, or also due to an abysmal inability to bring about reform.

We have escaped the extremes connected with the dilemmas between force and anarchy, authoritarianism and populism. Everyone acknowledges in this unique situation the seal of a democracy, which although imperfect, is still a functioning democracy. [passage omitted]

Honorable Representatives: You begin a new legislative period after the people exemplarily renewed your mandate. The two branches of public power, the executive and legislative branches, have acquired a new commitment to the nation. Likewise, the electorate made its decisions known on the makeup of representative organs in the local communities and territorial entities, by incorporating new political forces. The elections took place during a period in which the country has decided to accelerate the democratic opening and the peace process. These same elections have proved to be the best example that our strategy was not in error. Those two elections, on 9 March and 25 May, were true manifestations of the citizens' will. They were held amid all guarantees, and the government presided over them with complete impartiality. Everyone had equal rights to use the official news media. The vote counting was efficient and timely. [passage omitted]

Likewise, we have gradually been developing and instituting an autonomous, free, and technical electoral power wherein all currents can participate with the utmost guarantees of absolute impartiality, as was the case during the past elections.

Honorable Representatives: These advances are so important that they will reinforce the creative potential of our democracy. The best tribute I could give to my political party during the elections was to remain unquestionably independent and honest. There was no doubt that I should adopt this stance because it corresponds to the doctrine and best tradition of my party. The Conservative Party -- my party -- has understood this. I am indebted to it for its calm and for its recent appraisal of the elections, which it did not win, which it described as -- to quote its words -- a historic patrimony of the people because of the purity with which they were held.

This kind of solidarity with the president in office is a demonstration of the support he received at all times from his party, granted with the utmost generosity and accurate foresight, during so many critical periods which this government faced throughout its journey. It is encouraging to see that the peace efforts are being reciprocated by the majority of the rebel groups, with whom a truce is still in effect as we seek new forms of dialogue that will strengthen peace, justice, and development. A transition to civilian life with the creation of new political groups as a result of the democratic opening brings new hopes. The presence of a new parliamentary force in this August forum of our nation is of great significance, as this force may represent active minorities. The nation assuredly expects balance and responsibility. Because it longs for the confirmation of peace, it is certain that the process of dialogue will yield greater advantages than the practice of violence, which has proven to be futile. [pasasge omitted]

Honorable Representatives: The transfer of power will be surrounded by the utmost guarantees. Interested as this government has always been in having official information made public, because that is the basis of democracy, it has asked the administration's various departments to prepare and publish their reports and to present them, first of all, to the honorable chambers, as the Constitution orders. The government wishes to present a truthful report on its activities, not out of a desire to nourish either vanity or arrogance -- which have never characterized it -- but because these reflections constitute the best way to gradually build the path to progress we need so much.

For this reason, and because the sectorial reports and some special monographs will give detailed accounts of aspects connected with specific areas of the administration, the decision has been made to give to this presentation for the chambers the well-reasoned, analytical, historical, and prospects-oriented tone that is necessary to understand the most general aspects of a government's course. It will thus be stressed that the unifying principles have been those of peace, the improvement of democracy, and the modernization of the state in its capacity to encourage economic growth and social and regional reorganization. All this is analyzed at length in the report we are presenting immediately to all the honorable representatives.

Never in its recent history had the nation been subjected to so many challenges and to so many simultaneous problems and tensions. Some of them are of a domestic nature, like the increase in the drug traffic and the escalation of terrorism. Others are of a more universal nature, like the unprecedented recession or the threat of regional conflicts. At the worst times, nature itself seemed to be merciless with us. However, from a scenario marked by endless risks, the nation has emerged strengthened. We have passed the tests, and today we are different. We have grown in wisdom and understanding through pain. We have discovered the seed of solidarity and the path to peace. We have set a new course for the state, improving its democratic institutions with the decision-making capabilities of this honorable House of Representatives. We have organized the economy, which is now prepared for both good and bad times. We have restored their full strength [plenitud] to the regions and municipalities, in accord with the chambers decision. We have found more expeditious paths to order social change and eradicate extreme poverty [passage omitted]

I know, honorable representatives, that this legislature will not be inferior to the one that accompanied me during the previous 4-year period. If Colombia has passed its tests and today can feel it is in a position to make an extraordinary leap in its progress -- as I know it will do under the next administration -- it is due to the extraordinary capacity of a people who were very well represented by the parliament during a period of uncertainty. The congress was admirable. I repeat this in grateful tones on this occasion. [passage omitted]

Honorable representatives: 4 years ago, in this same hall of democracy, I made an oath of allegiance to our institutions and the defense of our nationality. Since then, I have dedicated the totality of my being to the government's activities. I have carried out a good many of the things I proposed to do. Effecting a profound formation aimed at decentralization, with the election of mayors and the equitable distribution of wealth, in accordance with the decision made by this honorable chamber and by the honorable Senate; also, achieving a just political balance, seeking peace, expanding and opening our democracy, making our relations with the world more dynamic and independent, taking health to our people and protecting children from disease, preserving social harmony, creating favorable conditions for investment and employment, reorganizing the economy and the financial sector, furthering a mass housing plan, reducing illiteracy, encouraging art and literature, bringing the university closer to the student, reaffirming the homeland's borders, and reaffirming the homeland in my countrymen's soul.

In a developing country, crossed from the high Andean peaks to the depths of the seas by condors and gannets, as depicted in Alejandro Obregon's admirable mural in this hall, the expectations exceed the possibilities so that secret aspirations always remain, which constitute an incentive marked by incongruity to seek advancement.

I return to the simple and glorious title of citizen, without rancor or bitterness, honored that democracy picked me out from my peasant quarry and gave me to my homeland with the impassioned fervor characterizing my beloved province. I return with the certainty that I ruled Colombia with a determination devoid of any shadows, with tenacity, with faith, with hope, with a clean heart and mind. I only have gratitude for my countrymen of all political parties, of all economic and social backgrounds, because they have abundantly accorded me opportunities and honors. I have no scars left, no rancor, no injury at all from any of my countrymen, and I hope they forgive me for the injuries I may have inflicted on them without meaning to, I swear.

I will only express one wish: that the God of my homeland will permit me to continue being devoutly and fervently a loyal servant of the Republic. I retain a single form of sectarianism: sectarianism for Colombia.

With these convictions and feelings, I officially declare open the regular sessions of the honorable Congress of the Republic.

May the divine providence accompany and illuminate you, Honorable Representatives. May God protect Colombia and the Colombian people. Thank you very much. [applause]

PEACE COMMISSION PRESIDENT SUBMITS RESIGNATION

PA231433 Bogota Television Service in Spanish 0000 GMT 23 Jul 86

[Text] John Agudelo Rios, president of the Peace Commission, has submitted his resignation to President Belisario Betancur.

Among other things, Agudelo Rios stressed the Armed Forces contribution to developing the country's most isolated zones and the central Magdalena.

Agudelo Rios added that the next government will have to finish the job that is still to be completed and continue the peace process with the Revolutionary Armed Forces of Colombia, the Workers Self-Defense, and some sectors of the Army of National Liberation.

PATRIA VIEWS U.S.-BOLIVIAN ANTIDRUG OPERATION

PY230401 Asuncion PATRIA in Spanish 20 Jul 86 p 7

[Editorial: "The War Against Drug Trafficking"]

[Text] We have no preference regarding subjects that adversely affect our brother countries, but there are cases and circumstances in which somebody else's experience should teach us to value our own situation in a more just and patriotic manner.

The big-mouthed members of the extremist and antidemocratic opposition, the intellectual bullies, and the entire gang of "international" slanderers and detractors of the Paraguayan Government, including Laino, Roa Bastos, and Bareiro Saguier, have not spared any insults to portray Paraguayan leaders at all levels as corrupt. They encourage any "black lie" to tarnish the country's image.

But the media gave them what they deserved for being pariahs and mercenaries, which is what they are because they received money for being in the services of foreign ideologies pointed like a dagger at Paraguay. The most important sectors of the world media, the international news agencies, report in large headlines the dramatic process that has just ended in Bolivia, where a "joint military operation" was carried out with the purpose of putting an end to the unbridled drug trafficking problem, as a local newspaper reported. The newspaper, quoting UPI reports, disclosed that six "Black Hawk" helicopter gunships and a battalion of U.S. "Leopards" [as published] (specialized assault commandos for high-risk operations) have arrived in Bolivia to participate in the struggle against drug trafficking and to disband no fewer than 35 drug trafficking "families" in which at least 100,000 persons are involved. [passage omitted]

We can say now that we do not need foreign assistance to keep the corruption and crimes promoted by the drug trafficking in line. In Paraguay drug trafficking has been an activity of only the underworld, and its origin and destination are outside the country. Now, with increased repression at the geographical center of drug trafficking, we will benefit because it will clearly demonstrate that our country is not on the international drug route to the United States, which is maintained with U.S. money, technology, and consumers. This route has only occasionally been diverted through the border region of our territory, which has never been the main route for the bulk of that infamous trade. We can only approve of this escalation of international repression of drug trafficking in South America because once it is eliminated, a stereotype that has been used to attack Paraguay for faults it does not have will have also been eliminated.

BOMBS PLANTED IN EASTERN, AEROFLOT OFFICES

PY231808 Madrid EFE in Spanish 1700 GMT 23 Jul 86

[Text] Lima, 23 Jul (EFE) -- Lima suffered a wave of bomb attacks that damaged property last night. The offices of Eastern Airlines in the San Isidro District and of the Soviet airline Aeroflot were among the targets.

The bomb in the Aeroflot office was found before it exploded and was defused by Republican Guard bomb experts. The Aeroflot offices are located in the Civic Center in downtown Lima, which was cordoned off by police to prevent further attacks.

The Markham School of San Antonio District and the Mercedes Benz offices in San Isidro District also were attacked.

These bombings are a continuation of the wave of attacks committed last week in Lima against offices of the government party -- the social democratic American Popular Revolutionary Alliance -- and against banks, a police station, and private companies. Only one person was wounded in these attacks, which caused property damage.

The newspaper EXPRESO today published a report on an attack against the town of Patahuasi, in the southern department of Ayacucho, where some 20 alleged Maoist Shining Path members killed 2 peasants and wounded a woman on 21 July. The peasants were identified as Pablo Salvatierra and Estela Chalca.

BRIEFS

NEW AMBASSADOR TO FRANCE -- The new Peruvian ambassador to France, Hugo Otero Lanzarotti, presented his credentials to President Mitterrand during a ceremony attended by French Foreign Minister Jean Bernard Raimond. [Excerpt] [Lima Radioprogramas del Peru in Spanish 2300 GMT 22 Jul 86 PY]

LUSINCHI REVIEWS CONTADORA, DECORATES MINISTERS

PA231252 Caracas Television Service in Spanish 0000 GMT 23 Jul 86

[Report by Elsy Barroeta]

[Text] President Jaime Lusinchi said today that the road in Central America led directly to a war and the Contadora Group's efforts have prevented a conflagration in the area. Lusinchi's remarks were made as he decorated the Contadora Group's deputy foreign ministers. The deputy foreign ministers of Colombia, Mexico, and Panama -- countries which are in the Contadora Group -- were awarded the order of Francisco de Miranda, 1st Class.

Thus, the Government of Venezuela recognizes the role played by these officials, who have worked and continue to work to achieve peace in Central America. The president decorated the ministers in the Mirror Room at Miraflores Palace; the ceremony was attended by Foreign Minister Simon Alberto Consalvi, Deputy Foreign Minister German Navan Carrillo -- who had previously received the decoration -- guests, and the wives of the deputy foreign ministers who received the decoration.

Giving the decorations, President Lusinchi delivered a speech in which he referred to the work carried out by the Contadora Group to attain peace in the Central American region.

[Begin Lusinchi recording, in progress]... and I say that the Contadora Group's efforts have not been exhausted, and we must persist. We must persist because important efforts are being exerted by the Central American people, themselves -- I will say that these efforts are being exerted from one side and the other, because I have no intention of provoking a misinterpretation -- and these efforts will strengthen the Contadora and Support Groups' work. Throughout these years, this group of exceptional Latin American men has been working with determination and with a lofty sense of responsibility. [end recording]

As part of the ceremony, the deputy foreign ministers delivered speeches to give thanks for the decoration. They also supported the initiative adopted by their countries and Latin America to prevent conflicts among the Central American nations.

The deputy foreign ministers were later taken to the Foreign Ministry for lunch. They may hold a working meeting during the next few hours to analyze the peace efforts being exerted by the Contadora Group in Central America; they will return to their respective countries.

FEDECAMARAS OPPOSES EXCHANGE RATE CHANGES

PA220007 Caracas Television Service in Spanish 0000 GMT 19 Jul 86

[Report by Carlos Fernandez]

[Excerpts] Fedecamaras [Federation of Commerce and Industry], the country's top business group, met today for over 5 hours in an extraordinary session attended by members of the executive directorate, former presidents of the association, and several advisers. A preliminary document was issued during the meeting. The document clearly conveyed the businessmen's dissatisfaction and insisted that the amendments to the exchange rate, announced by the Venezuelan president, will inevitably be reflected in increased inflation and unemployment rates, as well as in the Republic's overall external credit. The document also states that Fedecamaras feels the social pact has not worked because the mechanisms for consensus have not gone beyond good intentions, according to the text read by Rafael Marcial Garmendia:

[Begin recording] We are deeply concerned that the package of measures that have been implemented lately does not respond to an organic and coherent economic policy. We are facing serious structural problems that cannot be solved with stopgap measures. In this regard, we must remember that the productive sector has not been able to fully operate since it has had to conduct its activities within the framework of interventionist actions and continual changes in the rules of the game. [end recording]

After reading the document, the Fedecamaras president revealed the impact which the move to increase the exchange rate from 4.30 bolivaries to 7.50 bolivares to the dollar to pay the foreign debt will have. The amount of the debt is 19 billion bolivares. Meanwhile, before the formal Fedecamaras document was read, we measured reactions by business leaders who attended the extraordinary meeting. Although their views reflected the same concern, there were shades of differences. They did not flatly reject the government measures, but they clearly stated that the change in the exchange rate will have a negative impact on the country's economic possibilities. [passage omitted]

Before the meeting concluded Rafael Marcial Garmendia presented two conclusions. The first was that the business group will continue holding an emergency meeting over the weekend. The second was that the top business group in the country will change the work schedule prepared for the next assembly. It is to be held next week in Valencia.

NATION TO REQUEST \$6-\$7 BILLION LINE OF CREDIT

FL232130 Mexico City NOTIMEX in Spanish 2046 GMT 23 Jul 86

[Text] New York, 23 Jul (NOTIMEX) -- This morning Finance Secretary Gustavo Petricioli arrived in New York to meet with high-level U.S. bank officials. Petricioli met with the bankers individually and explained the details of the letter of intention signed yesterday with the IMF which contains Mexico's requests to private banks for the next 18 months.

It is already known that the secretary will request the private banks approve lines of credit between \$6 and \$7 billion to cover the country's financial needs for 1986, 1987, and the beginning of 1988. Upon his arrival in New York, Petricioli met with the presidents of Citibank, John Redd; Chemical Bank, Robert Callander; Bankers Trust, Alfred Brittain; and Chase Manhattan Bank, Lewis Preston.

At noon, the finance secretary had lunch with Morgan Guaranty Trust directors. This afternoon, the secretary will meet with approximately 50 bankers who represent in New York around 500 creditor banks with whom he will discuss the country's financial needs.

FURTHER ON FINANCIAL AGREEMENTS, IDB LOANS

FL230325 Mexico City NOTIMEX in Spanish 2245 GMT 22 Jul 86

[By correspondent Jose Carreno]

[Excerpts] Washington, 22 Jul (NOTIMEX) -- Finance Secretary Gustavo Petricioli today formally delivered a letter of intention to Jacques de Larrosiere, IMF director, which will provide Mexico the possibilities of obtaining new loans. [passage omitted] During the ceremony, agreements were also signed with the Inter-American Development Bank amounting to 41.3 million.

(Barber Conable), World Bank president, said he was pleased with the structural reform program announced by the Mexican Government and characterized it as extensive. At the end of the month, the World Bank is expected to approve loans amounting to \$698 million to support the reform program.

FOREIGN SECRETARY HOLDS TALKS IN FRANCE

For reportage on the visit to France by Foreign Relations Secretary Bernardo Sepulveda Amor, including coverage of his talks with French External Relations Minister Jean-Bernard Raimond and Prime Minister Jacques Chirac, see the France section of the 22 July Western Europe DAILY REPORT and subsequent issues.

PRI LEADER REJECTS RIGHT WING'S ACTIONS

PA240141 Mexico City EXCELSIOR in Spanish 18 Jul 86 pp 1 A, 16 A

[Excerpt] Tlaxcala, Tlax., 17 Jul -- Adolfo Lugo Verduzco, national PRI leader, today said that "the counterrevolution has become the spokesman and echo of the manipulated statements that have been spread abroad regarding the truth about Mexico." [sentence as published]

At the convention at which Beatriz Paredes Rangel spoke as the party's gubernatorial candidate in Tlaxcala, Lugo Verduzco accused "the counterrevolution of using lies and blackmail as weapons to gain concessions in their effort to attain power," and he added that far from contributing to the nation's democratic development, the right wing's conduct has been aimed at creating pressure, by way of which it is trying to achieve the victories it has not earned by way of the people's votes.

"The right wing," the PRI leader insisted, "has tried to harm Mexicans' independence with lies and simplifications, which they constantly repeat in an effort to convert them into truths."

Nevertheless, Lugo Verduzco added, the right wing's conduct shows its true colors: It forbodes violence, argues a lack of democracy, and prepares campaigns to discredit the country. Within and outside the borders it seeks to discourage investments and savings and promotes the flight of capital with the intention of generating a lack of confidence abroad and of marrying Mexico's capacity to negotiate.

Lugo Verduzco described the members of the counterrevolution as "chronically ignorant of what nationalism is" and added that as they do not identify with the fatherland. "The new (?politicians) have refused to recognize the interventionistic position their allies abroad have adopted regarding affairs that pertain only to the Mexicans," he said.

Gradually, as the country's problems have worsened, the people have gained full knowledge of the antipopular and antinational proposals made by the counterrevolution, as well as of the foreign ultraconservative interests it serves.

During his speech, Lugo Verduzco alluded to the elections of 6 July in Campeche, Baja California, Chihuahua, Durango, Michoacan, and Zacatecas, which, he said, left the following lesson:

"The people, their party, and their candidates won the 6 July elections," and the victories achieved were legitimate and clean; there can be no doubt of this.

Lugo Verduzco also pointed out that the counterrevolution has learned bitter lessons, while the members of the PRI were left with deep thoughts to reflect upon. "Whenever we have lacked cohesion we have been defeated, and we have admitted this," but we have proven that when we struggle together in an organized manner, "with a nationalistic fervor and revolutionary mysticism," the party succeeds.

"The Mexican people will not lend themselves to the tricks of the defeatists in the country, nor will they play up to the destabilizing actions of who from abroad are determined to intervene in independent national affairs of state."

The apocalyptic forebodings failed, Lugo Verduzco said, and he stressed that "the promoters failed to achieve the spectacle they tried to set up to prove what they said during the campaigns to discredit Mexico." [passage omitted]

CASTRO REPORTEDLY TO VISIT 31 JULY

PA231521 Panama City EXTRA in Spanish 23 Jul 86 pp 1, 2

[Text] Cuban President Commander Fidel Castro will be visiting Panama within the next few days, according to reports EXTRA has received from sources close to the Democratic Revolutionary Party [PRD].

The arrival of Fidel Castro, top Communist leader and promoter of guerrilla activities in America, has been set for 31 July, and he will participate in the Panamanian Government's program to commemorate another anniversary of General Omar Torrijos Herrera's death.

Reports in this regard point out that ranking figures of the so-called "revolutionary process" have sent an invitation to Castro asking him to participate in the government's activities, and it is expected that the Communist commander will send an answer within the next few hours.

Political observers feel that the invitation to Castro is the present regime's way of thanking him for his public defense of General Manuel Antonio Noriega when U.S. intelligence services made certain accusations against him.

Nevertheless, it is believed that Castro's presence in Panama will only serve to make the already deteriorated relations between Panama and the United States, its associate in the management of the Panama Canal, more tense.

ENTRY RESTRICTIONS ON BOLIVIANS CRITICIZED

PA231430 Panama City LA PRENSA in Spanish 22 Jul 86 p 1 A

["As of Today" column]

[Text] A few days ago international news agencies reported that many Bolivians had left their country and headed for other countries, including Panama, presumably to save themselves from the joint antidrug operation that Bolivia and the United States have begun. The Panamanian reaction, according to information published yesterday by a local newspaper, was to indiscriminately ban all Bolivians from entering our country except for those Bolivians who travel with diplomatic or official passports. According to statements attributed to Immigration Director Captain Felipe Camargo, this decision was not adopted earlier because of a "lack of coordination" with U.S. and Bolivian authorities, probably due to the secrecy surrounding the joint operation against drug trafficking. Despite the praiseworthy reasons that support the Panamanian immigration restriction, generalizing such a measure does not seem to be the best way to confront the problem. The adoption of policies of this nature, exclusively affecting the nationality of these people, is a serious injustice that in no way helps improve our country's image. It would have been much more effective to coordinate with the Bolivian authorities and give them a daily report with the names and other data of the Bolivians who have entered the country. By doing this, the Bolivian Government could, at the right time, request the extradition of all those who may have any charges pending. In this manner, with greater discretion and better criteria, Panama could have offered a very valuable service to justice without affecting the Bolivians who come to Panama for legitimate reasons such as pleasure or business.

HELMS DESCRIBED AS 'BLIND,' 'NAZI-FASCIST'

PA231611 Panama City MATUTINO in Spanish 22 Jul 86 p 27 A

["Tamborito" column by Anacleto Marcelino; "A Blind Man Who Can See..." -- upper case passages published in boldface]

[Excerpts] Echoing the opinions of U.S. high-ranking government officials and statements published by several U.S. newspapers, Panamanian papers have said that the confused U.S. southern Senator Jesse Helms "is blind and incapable of seeing the reality of the contemporary world." [passage omitted]

YET, THE MENTAL BLINDNESS OF THE CHAMPION OF RACIAL DISCRIMINATION AND KU KLUX KLAN FANATICISM IS ONLY PARTIAL. HE CANNOT INDEED SEE THE PROGRESSIVE ADVANCEMENTS MADE BY A DEVELOPED DEMOCRACY THAT CONDEMNS IMPERIALIST HEGEMONY AND PROMOTES THE INDEPENDENT DEVELOPMENT OF THE PEOPLES.

HOWEVER, HELMS CAN VERY WELL SEE ALL THE PRODUCTIVE TRADE POSSIBILITIES THAT ARE OFFERED NOT ONLY BY THE FASCIST TYRANNIES THAT STILL SURVIVE IN SOME NATIONS, BUT ALSO BY THOSE THAT ARE STRUGGLING, ENCOURAGED BY REVENGEFUL AMBITIONS AND SECTARIAN RANCOR TO ONCE AGAIN ATTAIN THE GOVERNMENT POWER THAT WAS TAKEN AWAY FOR THEM BY PROINDEPENDENCE, DEMOCRATIC, REVOLUTIONARY PROCESSES.

But, above all, Senator Helms is able to see very clearly the opportunities that his extremist and unscrupulous interpretation of the conservatism of some government sectors of his own country offer him to strengthen or expand the dark business of being the spokesman of dictatorships and to attack the proindependence democracies that contradict and obstruct his old-fashioned hegemonic fanaticisms.

IN THE SAME WAY HE SERVED AND DEFENDED MARCOS' DICTATORSHIP IN THE PHILIPPINES AND BABY DOC'S IN HAITI (AFTER THE FALL OF SOMOZA IN NICARAGUA AND BATISTA IN CUBA), HELMS NOW DESPERATELY CLINGS TO GENERAL AUGUSTO PINOCHET'S NAZI TYRANNY IN THE LONG-SUFFERED CHILEAN NATION. [passage omitted]

To continue sucking in the economic support given to him by Pinochet's tyranny, the extremist U.S. southern senator reached the point of attacking his country's diplomatic representatives in Chile. That extremism forced the State Department to repudiate Helms' intervention in defense of Pinochet's tyranny. Helms' intervention long ago exceeded the limits of President Reagan's conservatism.

AS WE HAVE REITERATED SEVERAL TIMES IN THIS COLUMN, THIS PROVES THAT SENATOR JESSE HELMS' POSITIONS, ATTITUDES, STATEMENTS, AND NAZI-FASCIST ACTIONS HAVE NOTHING TO DO WITH THE U.S. GOVERNMENT'S POLICY THAT GOVERNS HIS COUNTRY'S FATE, AND MUCH LESS WITH THE OPINION OF THE MAJORITY OF THE U.S. PEOPLE, WHO NOT ONLY FAVOR DEMOCRACY, BUT ALSO RESPECT THE SOVEREIGN AND INDEPENDENT RIGHTS OF OTHER PEOPLES, REGARDLESS OF HOW SMALL OR WEAK THEY ARE.

When reactionary Helms promotes slanderous actions and makes offensive statements against Panama's sovereign and independent rights, by using dark lies against Panamanian military and civilian authorities, he is acting only on the drive of his interests and ambitions. When Helms becomes the instrument for the Panamanian extreme right opposition's lies to reach the front pages of newspapers that have been repeatedly condemned for slander, his sole purpose is to please those who help him financially and encourage his hope of imposing a new Nazi-fascist dictatorship on this party of the continent.

THUS HIS PRIMITIVE HATRED AGAINST THE PANAMANIAN REVOLUTIONARY PROCESS AND HIS STUBBORN BLINDNESS IN THE RIDICULOUS ZEAL TO PREVENT THE EFFECTIVE FULFILLMENT OF THE TORRIJOS-CARTER TREATIES, WHICH RECOGNIZE PANAMA'S JURISDICTIONAL RIGHTS OVER THE WHICH FOR SO MANY YEARS WAS A CANAL ZONE AT THE SERVICE OF THE INTERESTS OF BY-NOW DEFINITELY OVERCOME YANKEE IMPERIALISM.

PUBLIC CONFIRMATION OF HIS NAZI-FASCIST FANATICISM, WHICH IDENTIFIES HIM WITH PINOCHET'S TYRANNY, ALSO CONFIRMS HIS IDENTIFICATION WITH THE UNPLEASANT AFTERTASTE OF ARNUFIST [REFERENCE TO OPPOSITION AUTHENTIC PANAMENIST PARTY LEADER ARNULDO ARIAS] NAZI-FASCISM, WHICH SOME DISORIENTED DEMOCRETINS [PLAY ON CHRISTIAN DEMOCRATS] STILL SEEK TO WIELD THREATENINGLY AGAINST THE PANAMANIAN REVOLUTIONARY PROCESS.

ULTRA-RACIST SENATOR HELMS IS BLIND; THERE IS NO DOUBT ABOUT THAT. HE NOT ONLY CONTINUES PRACTICING THE SATANIC RITES OF THE KU KLUX KLAN BUT SEEKS TO EXTEND HIS RANCOROUS FANATICISM TOWARD THE LATIN AMERICAN PEOPLES WHO DO NOT SUBMIT TO WHAT HE VIEWS AS U.S. INTERESTS.

However, he sees very well, very clearly, when it comes to promoting his personal interests and ambitions. That is why, in the same way that he earns Chilean pesos for defending genocide in that southern nation, he seeks to increase his profits by serving as instrument and spokesman of the bad Panamanians who seek to satisfy their unbridled hunger for power and wealth through foreign intervention. [passage omitted]

What is inexcusable, however, is the blindness of the small group of Panamanian opposition members who carry their hatred, rancor, and ambition to the extreme of surrendering their own homeland to the intolerant fanaticism of an extremist like Senator Helms. What those ultraright-wing opposition Arnulfists are doing is to denigrate themselves when they try to discredit and destabilize the Panamanian nation.

PERHAPS THEY ARE GRADUALLY REALIZING THE DARK ABYSS OF CIVIC AND MORAL CORRUPTION INTO WHICH THEY ARE FALLING. THIS IS SUGGESTED BY THE STAND ADOPTED BY ONE OF THEM [NOT FURTHER IDENTIFIED] WHO FEELS THREATENED AND PERSECUTED BECAUSE HIS OWN CONSCIENCE TELLS HIM THAT THE PANAMANIAN PEOPLE WILL NOT FORGIVE THE TREASON HE HAS COMMITTED AGAINST THE DIGNITY AND SOVEREIGNTY WE ARE TRYING TO PRESERVE AND CONSOLIDATE.

THIS IS ALSO SUGGESTED BY THE FACT THAT OTHERS HAVE FLED ABROAD OR HAVE SOUGHT REFUGE AMONG IMMATURE STUDENTS TO AVOID THE ACTION OF JUSTICE, WHICH DEMANDS A LEGAL AND MORAL JUSTIFICATION FOR THEIR EXCESSES FROM THEM.

Senator Helms can return to his country and again take his seat in the Senate because all he has done is offend and insult those governments and nations that he feels oppose his homeland's hegemonic interests. Even so, he will have to suffer the increasing repudiation of his country's public and the political and moral condemnation of its authorities.

IN A SIMILAR FASHION, THOSE WHO ALLIED THEMSELVES WITH HIM TO MALIGN AND SLANDER THEIR OWN HOMELAND CAN ALSO RETURN TO PANAMA: THE BROAD DEMOCRATIC TOLERANCE THAT EXISTS HERE GUARANTEES THEM SUITABLE SECURITY AND PROTECTION TO KEEP THE PEOPLE FROM PUNISHING THEM FOR THEIR BAD ACTIONS.

THEY, HOWEVER, ARE MORE COWARDLY THAN HE IS [HELMS]. BECAUSE THEY KNOW THAT THEY ARE MORALLY DESTROYED AND POLITICALLY DISCREDITED, THEY PREFER TO FLEE AND HIDE, FORGETTING THAT NO ONE CAN AVOID THE SANCTIONS OF THEIR OWN CONSCIENCE...[passage omitted]

COSTA RICAARIAS: ORTEGA REMARKS OF 'NO SIGNIFICANCE'

PA231631 San Jose Radio Reloj in Spanish 1200 GMT 23 Jul 86

[Text] President Oscar Arias has denied that his government has adopted a timid attitude toward verbal attacks by his Nicaraguan counterpart, Daniel Ortega. On the contrary, he feels that it has adopted a categorical stand and that, at any rate, the entire world cannot take such attacks very seriously. Arias feels that no significance can be attached to Ortega's statements because they have none. He recalled that the attack was made at a public square before 8,000 followers during an event that would have attracted 50,000 a few years before.

In Arias' opinion, it would not be worthwhile to discuss Ortega's attack in public. He added that no one takes seriously the allegation that Costa Rica is not an example of democracy or that violence is being used against peasants. Arias asked how anyone could think that Daniel Ortega has the moral authority to make such statements while thousands of Nicaraguans are emigrating from their country.

KARPINSKI RECEIVES MEXICAN DEPUTY RIVA PALACIO

FL222335 Mexico City NOTIMEX in Spanish 1916 GMT 22 Jul 86

[Text] San Jose, 22 Jul (NOTIMEX) -- The president of the Grand Commission of the Mexican Chamber of Deputies, Antonio Riva Palacio, was received today by the president of the Costa Rican Legislative Assembly, Rose Marie Karpinski.

In his 2d day of official activities in this capital, this afternoon Riva Palacio will meet with Costa Rican President Oscar Arias Sanchez at the Presidential Palace and with Foreign Minister Rodrigo Madrigal Nieto at the Foreign Ministry.

Mexican Ambassador to Costa Rica Jesus Cabrera Munoz Ledo will accompany the Mexican legislator today. Yesterday he visited the National Liberation Party Headquarters, where he met with that party's political director. This morning Senator Riva Palacio said yesterday he discussed with Dr Karpinski the reactivation of Mexican-Costa Rican interparliamentary relations aimed at strengthening and widening ties between the two countries.

He added that the Mexican congress as well as the Latin American Parliament will observe with satisfaction the activities involved with the creation of the Central American parliament with the participation of Guatemala, Honduras, El Salvador, Nicaragua, and Costa Rica. He added that the Central American parliament will strengthen the process of democratization and integration in Latin America inasmuch as it is intended to be a dialogue mechanism which will promote democratization and peace in the region.

EL SALVADORFMLN-FDR PROPOSES EXCHANGE OF PRISONERS

PA240306 (Clandestine) Radio Venceremos in Spanish to El Salvador 0020 GMT 24 Jul 86

[Communique issued by the FMLN-FDR Executive Committee dated 23 July in El Salvador]

[Text] The government of Jose Napoleon Duarte has been implementing a policy toward the union and the people's movements in general, which far from contributing in a favorable way to the third round of talks, has created a completely hostile atmosphere for the dialogue.

Beginning on 1 July, the date when the proposal for the continuation of dialogue was presented to the Legislative Assembly, the government purposely increased the repressive actions and the attacks and verbal accusations against unions, union leaders, workers, and humanitarian organizations. Among the victims of these repressive actions are the workers of ANTEL [National Administration for Telecommunications]. ANTEL's installations were militarily overtaken, and the service was practically militarized. The workers from [words indistinct] have been accused by top Christian Democratic officials of being members of a communist union, and they were the target of threats and abuses. The violent burst of troops from the government in the [name indistinct] resulted in the serious injuries to the workers, who had to be taken to the hospital of the Salvadoran Institute of Social Security. One of the women had a miscarriage because of this aggression. The workers from ANDA [National Administration of Waterworks and Sewers] who were unjustly dismissed more than 1 year ago are victims of constant repressive actions by the security corps. Union leaders and workers from [name indistinct] were falsely accused of being involved in the killing of a union leader. Two of them remain in the government's prisons.

The humanitarian organizations have also been the target of repression. Members of the humans rights commission and from the Committee of Mothers of Political Prisoners, Missing, and Murdered People have been captured and charged with the worn-out accusation of being linked to the guerrillas.

The militarization and threats to the work centers and to the workers of the ministries, who have recently held strikes called by the Salvadoran Central Organization of Salvadoran workers, and the recent case of the union leader Elizabeth Velasquez, who was brutally captured by agents from the Finance Ministry police, dressed in civilian clothes. [sentence as heard]

Union leader Elizabeth Velasquez has openly denounced the psychological pressure she had to endure during the interrogations. There are many other cases. The government has tried to justify the repression against the labor movement within the framework of the war. The accusation of having links with the FMLN or of carrying out destabilization actions is sufficient to attack the working class and the people's movement, whose motivation to struggle is obviously the effect of the economic policy of the government on the most needy sectors.

Moreover, the Armed Forces has started to capture and hold as prisoners in Mariona garrison disabled FMLN fighters who have been evacuated from the war fronts by the Red Cross International Committee. This violates the international agreements from Geneva on war prisoners, wounded, or disabled. Furthermore, the Armed Forces is keeping our disabled companeros from leaving the country for medical attention, which violates the most fundamental human rights and the Ayagualo agreements.

It is morally unacceptable that the government of Napoleon Duarte uses dialogue in particular to cover up the intensification of the violations of human rights and the dehumanization of the war.

Within this context, and with the intention of creating a favorable atmosphere for the third round of talks, the FMLN-FDR proposes a mutual and simultaneous action of good faith, which would consist of the following:

That the government of Napoleon Duarte release all union leaders, workers, and members of humanitarian organizations currently in prison.

That the government release all nonfighters who are in jails at this moment.

The FMLN promises to immediately release Colonel Omar Napoleon Avalos.

The mechanisms to carry out this mutual and simultaneous action of good faith would be handled through mediators.

The FMLN-FDR reiterates its willingness to contribute to creating the conditions and a positive atmosphere for a third round of dialogue and repeats that the government of Napoleon Duarte must cease the repression against the working class and must cease its efforts to resolve in this way the serious problems created by its unpopular economic policy.

[Signed] FDR Executive Committee: Guillermo Manuel Ungo, Ruben Zamora

FMLN General Command: Commanders Roberto Rosas, Joaquin Vollalobos, Shafik Jorge Handal, Ferman Cienfuegos, Leonel Gonzalez.

El Salvador, 23 July 1986

GUATEMALA

SOSA ON RESUMPTION OF TRADE WITH COSTA RICA

PA240350 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 23 Jul 86

[Text] Today Economy Minister Lizardo Sosa confirmed that Guatemala lost a battle to Costa Rica when agreeing to return to the Central American Clearing house as a requirement to resume trade with Costa Rica.

[Begin Sosa recording] We sent a delegation to Costa Rica last Wednesday. Their negotiations produced excellent results. As we told you, the problem is reduced basically to the payment of Guatemala's 55-million [currency not given] debt to Costa Rica. The debt is in order. We have all the documents related to it, and we are not behind in our payments, except for the interest payments.

All that was resolved. We established two alternative trade payment mechanisms: One is through the Central American Clearing House. Through this mechanism Guatemala returns to the clearing house in order to make certain payments to Costa Rica, and to make payments in national currency.

I want to tell you that this agreement is subject to the approval of the Central Banks of both Guatemala and Costa Rica. Today, the agreement will be presented to the Guatemalan Monetary Board, and we think that it will also approve it. [end recording] Similarly, Sosa said that the new Guatemalan position will open up the Costa Rican borders to our country's products.

[Begin Sosa recording] Once the two approvals are officially presented, Costa Rica is committed to open its borders to our merchandise, just as they were before Costa Rica decided to suspend its trade with us. In addition, last week all the merchandise that was on its way to Costa Rica, and that which left Guatemala before 18 June, entered Costa Rica without any problems. This situation solved the problem of several cargo trucks. At one point, 20 of them were stopped at the border. That problem no longer exists. We are only waiting for the approval of the agreements in order to resume trade with Costa Rica, hopefully at the end of this week. [end recording]

AMOCO SUSPENDS OPERATIONS; SECURITY PROBLEMS CITED

PA240332 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 23 Jul 86

[Text] The Amoco Oil Company, which carries out prospecting projects in Guatemala, issued a terse communique today at noon, explaining that its field operation is being temporarily halted because of lack of safety. The communique reads:

The Amoco Guatemalan Petroleum Company confirms that it has temporarily suspended its field operations. The company authorities have decided to withdraw its field personnel for an indefinite period of time because the company cannot guarantee its workers' security. Recent guerrilla activities have been reported in the areas where the Amoco team has been working. In December 1985 Amoco signed a contract with the Ministry of Energy and Mines. The agreement covers a total of approximately 149,900 hectares in El Quiche and Huehuetenango Departments.

COMMENTARY VIEWS HABIB VISIT, CORRUPTION ISSUES

PA232229 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 23 Jul 86

[Editorial: "Lights and Shadows in the National Development"]

[Text] Last week was full of significant national events, which included some positive developments as well as other extremely negative ones. Among the former, it is worth mentioning President Vinicio Cerezo's decision not to receive Mr Habib. Habib was arriving in the role of imperial visitor to force our country's integration into the aggressive cordon around Nicaragua. The president did the right thing, as in this manner he reasserted the principle of sovereignty along with his policy of active neutrality in the Central American conflict. His stand was in contrast to the servile and submissive stance adopted by other neighboring regimes.

Also noticeable was the beginning of an anticorruption campaign that has unmasked certain prominent figures involved in shady businesses involving huge sums of money, like the coffee contraband.

Among the obscure issues, one must include the reasons or motives for suspending a French loan that would have been mainly used to finance the equipment for several hospitals. A clear explanation as to the hows and whys of this decision is awaited, as well as whatever might lie behind an agreement to purchase 700,000 quintals of fertilizer.

Still on the obscure side, once again the congress of the Republic struck a discordant note when it was learned that after granting themselves a generous 300-quetzal increase in their already juicy wages, the merry citizens who warm up congressional seats also approved, at a secret session, a salary of several hundred quetzales per month for each of the alternate deputies. They have thus shown that, although with different names and faces, they are just the way they have always been: opportunistic and voracious.

Meanwhile, our people are sinking deeper every day into extreme poverty. This is called playing with fire.

HONDURAS

MINISTRY PROTESTS MAP PUBLICATION IN LIMA PAPER

PA231545 San Pedro Sula TIEMPO in Spanish 22 Jul 86 p 2

[Text] Tegucigalpa -- The Foreign Ministry yesterday disclosed that it had to publicly clarify articles in a Peruvian newspaper which showed a map with a large part of the country's territory portrayed as Nicaraguan. According to this map, El Paraiso and Gracias a Dios departments had been added to Nicaragua in what seems to be a criticism of the occupation of this territory by the contras, who include Latinos as well as Indians.

According to the Foreign Ministry, on 25 May the newspaper EL COMERCIO of Lima published a Central American map which showed a mutilated Honduras. However, the ministry added that on 2 July and subsequent days the newspaper "has been publishing the correct map." The Foreign Ministry noted that this correction was a result of a protest from that office.

Another Foreign Ministry communique explained that "no ministry official has said that any part of our national territory is under the occupation or jurisdiction of Nicaraguan irregular forces." According to the press note, the bulletin was issued "in the face of speculation circulating among our country's press media" stating that Foreign Minister Carlos Lopez Contreras had admitted the existence of a "new Nicaragua" in the area occupied by the contras in El Paraiso Department.

NICARAGUA

CONTRAS KIDNAP BELGIAN RELIEF WORKER IN MATAGALPA

PA231904 Managua Domestic Service in Spanish 1817 GMT 23 Jul 86

[Text] We are now establishing contact with Companera Angela Saballos, information and press director at the Foreign Ministry. She has an urgent piece of information. Go ahead, Angela:

[Saballos] Yes, [words indistinct] thank you. We wanted to report that we have learned that Belgian cooperation worker Pierre Diron, of the nongovernmental [name indistinct] organization, was kidnapped by the counterrevolutionaries at 1750 on the 22d. This happened 10 km east of San Ramon, in Matagalpa Department. We wish to point out that the Nicaraguan Government places the responsibility for any harm to Companera Diron on the Reagan Administration. We are also drafting a note that will be sent to the State Department today.

D'Escoto Protests to U.S.

PA240148 Managua Radio Sandino in Spanish 0020 GMT 24 Jul 86

[Protest note sent by Foreign Minister Miguel D'Escoto to U.S. Secretary of State George Shultz on 23 July -- read by Angela Saballos, director of the Press Relations Department of the Ministry of Foreign Affairs]

[Text] Yesterday, 22 July, at approximately 1750 mercenary forces at the service of your government brutally kidnapped Belgian citizen Pierre Diron in a place 10 km east of San Ramon in Matalgalpa Department. The mercenary groups then escaped to the north.

The Belgian citizen kidnapped was carrying out civilian activities of cultural cooperation in this sector, as part of the cooperation and help offered by Oxfam [Oxford Committee for Famine Relief]-Belgium to the Nicaraguan people. This criminal action is new evidence of the official policy of state terrorism that the U.S. Government openly practices. With the protection of this policy of terror and intimidation, thousands of Nicaraguans have been killed, kidnapped, tortured, and tragically separated from their homes. To this lengthy list of victims of the unjust aggression imposed on us, we have to add the names of the volunteer workers from several countries who have also been the victims of terrorist actions because of their activities of peaceful cooperation with my country.

As a recent example of this immoral behavior, you were informed in a note dated 24 May of our protest over the kidnapping of eight citizens from the FRG by this same criminal bands. On previous occasions, we have also denounced the kidnappings and killings of volunteers from several countries. Due to the failure of their military actions, these mercenary forces created by the U.S. administration have directed their attacks at civilians, encouraged by the instructions contained in the CIA operations manual.

Such immoral acts are massive and systematic violations of the human rights of the Nicaraguan people and of the human rights of citizens from other countries who have endured and continue to endure the effects of this policy of force practiced by your government.

The Nicaraguan Government presents its most formal and strong protest and holds the U.S. Government directly responsible for the kidnapping of the Belgian citizen Pierre Diron. It demands respect for the life and the physical and mental condition of Pierre Diron. Furthermore, the Nicaraguan Government strongly urges the U.S. Government to instruct the mercenary forces at its service to immediately release the kidnapped Belgian citizen.

Once again, Nicaragua urges the U.S. Government to cease this arbitrary, immoral, and illegal policy and to respect the international law and the ICJ ruling of 27 July 1986.

Signed by Foreign Minister Miguel D'Escoto Brockman

FURTHER ON REVOLUTION ANNIVERSARY ACTIVITIES

Cuban Delegation Received

PA231856 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 23 Jul 86

[Text] Commander of the Revolution Daniel Ortega, president of the Republic, and Dr Sergio Ramirez Mercado, vice president, have met with a Cuban delegation headed by Jorge Risquet, member of the Politburo and the Secretariat of the Cuban Communist Party's Central Committee. The Cuban delegation arrived in Nicaragua to participate in ceremonies to mark the 7th anniversary of the revolution.

De la Madrid Message

PA191635 Managua Domestic Service in Spanish 1438 GMT 19 Jul 86

["Message" from Mexican President Miguel de la Madrid Hurtado to President Daniel Ortega]

[Text] On the occasion of the 7th anniversary of the victory of the Sandinist revolution, I am pleased to voice the best wishes and solidarity of the Mexican people and Government. I wish to reiterate the willingness of my government to continue contributing in the search for peaceful and lasting solutions to the Central American conflict, convinced that peace and stability in the region can only be achieved through full respect for the basic principles of nonintervention and the self-determination of the peoples.

On expressing our best wishes for the prosperity and well-being of the fraternal Nicaraguan people, I avail myself of this opportunity to express my highest considerations.

[Signed] Miguel de la Madrid Hurtado, president of Mexico

Al-Qadhdhafi's Congratulations

PA200413 Managua Domestic Service in Spanish 0300 GMT 19 Jul 86

[Note of congratulations sent by Colonel Mu'ammr al-Qadhdhafi, chief of state of the Socialist People's Libyan Arab Jamahiriyah to President Daniel Ortega; date not given]

[Text] Brother Daniel Ortega Saavedra, commander of the revolution, president of Nicaragua:

On the occasion of the anniversary of the triumph of the revolution in Nicaragua, I am pleased to convey to you and to the Nicaraguan people, in my own name and on behalf of the people of the Socialist People's Libyan Arab Jamahiriyah, our most sincere congratulations and best wishes for your good health and happiness and for the progress and well-being of the Nicaraguan people.

[Signed] Colonel Mu'ammr al-Qadhdhafi

Ortega Receives Iraqis

JN201422 Baghdad INA in Arabic 1335 GMT 20 Jul 86

[Text] Managua, 20 Jul (INA) -- President Daniel Ortega met with an Iraqi delegation headed by Justice Minister Dr Mundhir Ibrahim al-Shawi here today. The Iraqi delegation is currently on a visit to Nicaragua to attend the 7th anniversary of the victory of the FSLN. During the meeting, the two sides discussed cooperation between the two countries.

The head of the Iraqi delegation expressed Iraq's desire to promote relations with Nicaragua and to bolster militant relations between the Ba'th Party and the Sandinist front. The Iraqi delegation also explained the latest developments in the Iranian aggression against Iraq and Iran's expansionist designs in the Arab Gulf, stressing Iraq's desire to attain a just, comprehensive, and peaceful settlement of the armed conflict without any preconditions.

President Ortega thanked the Iraqi delegation for its participation in the revolution celebrations and expressed his desire to promote relations of friendship and cooperation between Iraq and Nicaragua in all fields. He also emphasized the need to end the war between Iraq and Iran and that peace must be attained in accordance with UN and nonaligned principles.

Weizsacker's Message

PA191659 Managua Domestic Service in Spanish 1404 GMT 19 Jul 86

[Note of congratulations from FRG President Richard von Weizsacker to President Daniel Ortega on the 7th anniversary of the Sandinist revolution; date not given]

[Text] On the occasion of the 7th anniversary of the revolution, allow me convey to you and the Nicaraguan people regards in name of the German people and on my own behalf. To them I add my sincere wishes for a happy future for the Nicaraguan people amid peace, freedom, and democracy.

FRG's SDP Notes Anniversary

PA191826 Managua Domestic Service in Spanish 1223 GMT 19 Jul 86

[Message from the Social Democrat Party, SPD, of Germany to President Daniel Ortega; date not given]

[Text] Your Excellency, Daniel Ortega, president of the Republic:

Dear Mr President: On the occasion of the anniversary of the victory of the revolution, I am voicing the best wishes of the Social Democratic Party of Germany so that the Nicaraguan people will soon be able to live in both internal and external [as heard] peace. Will continue supporting the struggle for democracy, social progress, and the achievements of the Sandinist Revolution. [sentence as heard]

BORGE DISCUSSES HUMAN RIGHTS ALLEGATIONS

PA191701 Buenos Aires REUTER in Spanish 0000 GMT 19 Jul 86

[By Matthew Campbell]

[Text] Managua, 18 Jul (REUTER) -- In response to charges concerning the violation of human rights, the Nicaraguan interior minister has said that the war with the U.S.-backed rebels justifies some repressive measures.

However, Tomas Borge, who is also one of the nine Sandinist commanders, denied that any prisoner has been tortured or mistreated during interrogations.

"In view of the magnitude of the war in this country...we have no other alternative than to use all our power, using the force of law...and using the repressive means [medios represivos] we have at hand," Borge told a small group of reporters last night.

"Of course, when I say repressive means, I am not talking about mistreating prisoners or of actions that violate human rights. No prisoner is mistreated in this country," he said.

The International League for Human Rights, a U.S. organization, said this week in a report that the leftist Sandinist government has committed great abuses, including torture, illegal detentions, and the suspension of freedom of the press and of religion. The organization said the methods used for torture include depriving the prisoners of sleep and food, blows, death threats, prolonged isolation (frequently in darkness), and water immersions.

Under the state of emergency laws imposed this year, the security forces have been given faculties to carry out arrests, and many civil rights have been repressed.

Borge said that the total number of prisoners in Nicaragua is 8,523, of which 777 are convicted rebels or "counterrevolutionaries," better known as contras, adding that approximately 1,525 contras are awaiting trial.

Other prisoners include 4,014 common criminals, (2389) Sandinist soldiers, and 2,157 former members of the National Guard of the late President Anastasio Somoza, who was ousted on 19 July 1979 following a revolution headed by the Sandinists.

Borge said that normally between 10 and 20 prisoners charged with participating in rebel activities are subject to interrogation and total isolation in high security cells. However, he added that the cells are equipped with bathrooms and that the interrogations very seldom last more than 2 weeks.

"I try to make sure that they (the interrogations) do not last more than 15 days, as that could harm a person as a human being," Borge said. "I, who spent 9 months with a hood over my head and handcuffed, know what that means," he added. Borge was in jail for 4 years during Somoza's dictatorship.

"Of course, no one is hooded or handcuffed here...we do not do what other repressive police forces in Latin America do to obtain information through savage tortures," he concluded.

HAVANA NOTES REAGAN'S STAND ON SOUTH AFRICA

FL231412 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Jul 86

[Text] U.S. President Ronald Reagan's ratification of U.S. policy towards the apartheid regime in South Africa has caused new criticism in Washington. In his speech to the nation, Reagan said he opposes applying economic sanctions against Pretoria.

The U.S. chief executive said that he will ask congress not to approve any bill containing sanctions against South African racism and that he will make the same request of the governments of the Western nations.

During a meeting of Congress, numerous senators, including some Republicans, spoke in favor of sanctions against apartheid.

BRAZILIAN MINISTER CITED ON DIPLOMATIC TIES

PA231533 Havana International Service in Spanish 2300 GMT 20 Jul 86

[Text] Brazilian Foreign Minister Roberto de Abreu Sodre has said the reestablishment of diplomatic relations with Cuba is a product of the state of full liberties that Brazil now enjoys.

In an interview with JORNAL DO BRASIL, the minister said his government wants to have relation with all nations. He noted: There was no reason for remaining away from Cuba.

RISQUET SAYS SANDINIST CAUSE MOVING FORWARD

PA231534 Havana International Service in Spanish 2300 GMT 20 Jul 86

[Text] In Managua, Cuban Politburo member Jorge Risquet today stated the work of the Sandinist revolution moves forward in spite of the war and the blockade imposed by the U.S. Government.

In a statement to BARRICADA, news organ of the FSLN, Risquet expressed the Cuban people's enthusiasm over the victories of Nicaragua in the face of the aggressive plans of the U.S. Government.

Risquet heads the Cuban delegation participating in the festivities for the 7th anniversary of the Sandinist revolution.

DELEGATION IN USSR FOR MONCADA ANNIVERSARY

FL231150 Havana Radio Progreso Network in Spanish 1100 GMT 23 Jul 86

[Text] Colonel Arnaldo Tamayo, first vice president of the Cuban-Soviet Friendship Association, has travelled to the Soviet Republic of Estonia. Tamayo is heading a Cuban delegation that will participate in the extensive program to be held in the Soviet Union to commemorate the 33d anniversary of the assault on the Moncada Barracks. The delegation was met in Moscow by V. Komarov, chief of the Latin America Department of the Soviet Society for Friendship and Cultural Ties with Other Countries.

SOVIET PLANE TO COMPLEMENT HURRICANE STUDIES

PA232017 Havana International Service in Spanish 1600 GMT 19 Jul 86

[Text] A Soviet-made lab plane will soon arrive in Cuba as part of the research program of the Cuban-Soviet joint center for tropical meteorology and hurricane studies, which operates out of the Cuban Academy of Sciences. The research aircraft is equipped with ultramodern gear and instruments; it will be used to study tropical hurricanes which originate in the Caribbean Sea, in Gulf of Mexico, and in the Bahamas area. This flying research center is equipped to enter hurricane activity zones. For the first time in the history of Cuban meteorology, Cuban scientists will be able to investigate the evolution of a hurricane from inside the phenomena.

DELEGATION CONTINUES EASTERN EUROPEAN TOUR

FL230153 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 86

[Text] A Communist Party of Cuba delegation headed by Secretariat member Jaime Crombet has departed for Bulgaria after a 4-day working visit in Hungary. The delegation, which is examining economic issues, continues a tour which began in the CSSR and includes the Soviet Union and the GDR.

BEIJING EMBASSY CELEBRATES ANNIVERSARY

FL231952 Havana Television Service in Spanish 1805 GMT 23 Jul 86

[Text] The 26 July 1953 anniversary was commemorated by the Cuban Embassy in Beijing with a reception attended by a large official group and by Chinese friends. The reception, given by the Cuban ambassador to the PRC, was attended by Chinese Vice Foreign Minister Zhu Qizhen, a member of the standing committee of the national people's congress, (Sang Zhixiang), and (Lin Bing), vice president of the China Association for International Friendly Contacts.

CSSR MINISTER, DELEGATION ARRIVE ON VISIT

FL230141 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 86

[Text] Miroslav Toman, vice president of the Czechoslovak Federal Government and minister of agriculture and food, has arrived in our country heading a delegation. During their stay in Cuba the distinguished visitors will visit production centers and places of historic interest.

BELGIAN COMMUNIST PARTY MEMBERS VISIT

FL230236 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 86

[Text] A delegation from the Belgian Communist Party [PCB] has ended a visit to Pinar Del Rio Province as part of its activities in the country at the invitation of the Cuban Institute of Friendship With the Peoples.

[Fredy Tak], PCB Central Committee member and chairman of the Organization of Friends of Cuba in Belgium, is heading the delegation.

HAVANA PRAISES SALVADORAN REBEL PROPOSAL

PA231641 Havana International Service in Spanish 2300 GMT 20 Jul 86

["Our America" commentary]

[Text] The most recent proposal of the FMLN-FDR permits the creation of conditions for both parties to go to the third round of talks completely aware of what they would be signing to secure a lasting peace in El Salvador.

According to the rebel alliance, the debate would touch on all aspects in which the two parties are interested. No condition has been set concerning where the meeting will be held but the Salvadoran people must be able to follow, using all communications means possible, for live coverage, the development of the talks.

Undoubtedly the guerrilla forces have taken the initiative to resolve the 6-year Salvadoran conflict, which has produced 60,000 dead.

On the other hand, the reticence of chief of state Jose Napoleon Duarte is due, mostly, to the pressure the United States is exerting so that the war is not resolved at a negotiating table but by military force. The U.S. position is based on the traditional U.S. arrogance toward small nations, where it wants to impose political and economic domination.

As a result of this, the Salvadoran conflict advances in an illogical way, not in line with the results of 6 years of war. The guerrillas maintain the initiative -- to the extent that one-third of the national territory is under its control. Likewise, the economic draining of the regime by continuous acts of sabotage against the electric power system and transportation, as well as by strikes in the cities, represents an important element of pressure on the Duarte government.

In other words, the situation gets worse. However, Washington's hands -- loaded with money and arms -- serve as a lifesaver that allows the continuation of the war.

The U.S. stubbornness not to stop the war in El Salvador peacefully is characteristic of its general policy for Central America, a region that is becoming increasingly hot as a result, especially, of the aggression that Nicaragua is enduring.

The latest guerrilla proposal for a public debate calls for the participation in the talks by delegates at the highest level. The rebel forces would be represented by Guillermo Ungo and Ruben Zamora, president and vice president, respectively, of the FDR; and by Joaquin Villalobos and Shafik Jorge Handal, of the FML General Command.

The debate, which could truly contribute to the search for peace in El Salvador, has aroused much expectation at the national and international level because the winner would undoubtedly be the Salvadoran people -- victims of various human rights violations.

If the position of the Duarte government is so solid, just, and strong as its spokesmen claim, that government will not refuse a political debate on an equal footing and in public.

RAUL CASTRO ADDRESSES SANCTI SPIRITUS GATHERING

FL230134 Havana Television Service in Spanish 0000 GMT 23 Jul 86

[Excerpts] In the heat of the activities being held in Sancti Spiritus to mark the 33d anniversary of the Moncada barracks assault, Army General Raul Castro, Central Committee second secretary and FAR minister, opened the Provincial Defense Preparedness school. [passage omitted]

Later, the Central Committee second secretary and those accompanying him toured the city, including the square where the 26 July ceremony will be held. They examined other projects under construction and chatted with workers and people dealing with these tasks. They also visited the oldest areas of Sancti Spiritus. The visit included a neighborhood at the banks of the Yayabo River, where they confirmed the progress made in cleaning the polluted river. A crowd spontaneously gathered and a combative meeting was held.

[Begin Raul Castro recording] Nobody will defeat this revolution and our people, under the leadership of its party; Fidel will solve these problems. Let other problems come up later but let's solve the everlasting little problems of lack of initiative, of demands, and of efficiency in the things we do. We just completed a 3-day Central Committee plenum. You know that the nucleus, municipalities, and provinces met. We are going to solve all the problems. We have to have discipline, we have to have discipline, [repeats himself] We have to work more. Emulations have to be real emulations not only fanfare where such and such factory and work center wins a little banner and we are content with that, we satisfy our conscience with a fig leaf. We have to save more of everything, including time.

We cannot talk about silly things at nucleus service and production, assembly meeting or any kind of meeting. When someone is talking about silly things tell him to go to the patio and talk to himself so he can listen to himself because meetings are meant to discuss serious matters and solve problems. We discuss everything we do with the masses, but we have to be more disciplined. We have to demand more. Always together with the masses and at the service of the masses, we have to repress shameless people. [applause] [end recording]

Raul hailed the Sancti Spiritus people's revolutionary attitude and said: I congratulate you for the activities marking 26 July. It is not a coincidence that the main ceremony is going to be held here. You won it with your work.

BAHAMASPINDLING CALLS U.S., UK TO IMPOSE SANCTIONS

FL232155 Bridgetown CANA in English 2056 GMT 23 Jul 86

[Text] Nassau, Bahamas, July 23, CANA -- Bahamas Prime Minister Sir Lynden Pindling has called on United States President Ronald Reagan and British Prime Minister Margaret Thatcher to prove their commitment to democratic principles by imposing economic sanctions against South Africa. They need to show the Commonwealth and the world what they have been teaching us about democracy, justice and the right of the majority to rule, he declared at a news conference.

Pindling is among seven Commonwealth leaders due to meet in London next month to decide what further steps will be taken to end South Africa's apartheid system following the collapse of a Commonwealth peace mission. He said Thatcher's argument that sanctions would only hurt the country's black population ran contrary to the views of blacks themselves. The majority of the black people in South Africa have been suffering for years. To tell them now that they will continue to suffer for some more years is a non-entity, he said.

Pindling said that pressures building up among the populations of Britain and the United States ought to have some impact on Reagan's thinking and Thatchers. If we can get a shift in the attitude of these two English-speaking democratic leaders then I think we begin to see some positive results in South Africa, the prime minister said. Pindling also condemned the indiscriminate attacks by South Africa defence force on neighbouring Zimbabwe, Botswana, Zambia, Angola and Mozambique. He said he expected these violations of territorial integrity to be a major issue during the August 2 talks.

DOMINICACHARLES DISCUSSES IMMIGRATION WITH FRENCH

FL232103 Bridgetown CANA in English 2040 GMT 23 Jul 86

[Text] Roseau, Dominica, July 23, CANA -- Dominica's Prime Minister Eugenia Charles held talks here today with a French Government delegation, amidst concern about the recent deportation of Dominicans from French-administered Caribbean islands. Foreign Ministry officials said the discussions were expected to focus on immigration problems. Some 150 Dominicans have been deported from the neighboring French islands of Guadeloupe, Martinique and Marie Galante, including more than 100 from Guadeloupe, since January.

Miss Charles has told reporters that while her government can do little for illegal immigrants and criminal elements, she would press for a better deal for bona fide Dominicans who were sometimes deprived of their property when they were expelled from the French islands. The Dominica leader today met with St Lucia-based French Ambassador Gilbert Bochet, and Prefect of Guadeloupe Yves Bonnet along with other officials of the French Embassy and the Ministry of Foreign Affairs. Bonnet has replaced Maurice Saborin as prefect and on his first official visit here since taking up the appointment he paid a courtesy call on Dominica's President Sir Clarence Seignoret today. The French delegation also met with president of the Dominica Association of Industry and Commerce (DAIC), Patricia Garraway-Ingliss this morning. It was expected to visit major manufacturing concerns here before leaving the state later today.

BOUTERSE STRESSES IMPORTANCE OF REVOLUTION

PA232224 Paris AFP in Spanish 0625 GMT 23 Jul 86

[By Martha Blanco]

[Excerpts] Paramaribo, Suriname, 23 Jul (AFP) -- Despite a political democratization process that began here last week, Suriname's strong man Commander Desire Bouterse has said: "I have always been the promoter of the revolutionary process, and that has a special meaning."

Bouterse, who was interviewed by AFP at the presidential palace, talked about the successes of the revolution that began 5 years ago, the democratic beginning, the role of the military, and pressure from abroad. [passage omitted]

While most Surinamese are waiting for a referendum to be held in 9 months in which they will decide on free elections in Suriname, Bouterse told AFP: "It all depends on the prevailing concept regarding the elections."

He added: "The most important thing is that all groups in the country support the basic principles of the revolution. I believe we need to follow a realistic policy by maintaining certain objectives: sovereignty, liberty, and our principles."

"Before the revolution (February 1980), this country was divided into groups determined by race and religion. We were living on top of a volcano whose eruption could have caused unforeseeable damage to our country. We know it takes time to achieve integration," Bouterse said.

"There were three options: install a military dictatorship, install new leadership or unite the entire country in a democratic process. We chose the latter. We can say that we had six members of the military in our first government; today we do not have any member of the military in the Council of Ministers."

"Of the 31 members in the national assembly, only one belongs to the military, which means that we do not have any problems with civilian governments...as long as they are not against the priority objectives of the revolution, Bouterse added.

Asked about the success of the revolution, Bouterse said: "Despite pressure from abroad, we have been able to increase production and to lower the inflation rate to less than 20 percent. Of course, within a revolutionary process we cannot avoid hurting certain interests. That is why the Netherlands and the United States have suspended their economic aid."

"It appears that those countries do not give aid to those who do not adapt to the conditions they try to impose. The economic embargo neutralized the effects of the revolution, even though they may not be very visible. For example, we were able to lower the unemployment rate from 25 percent, that is why people have said that the revolution has not changed a thing."

Since the beginning of the revolution, the Surinamese Government has closed ranks with the Cuban and Nicaraguan Governments. However since the invasion of Grenada by U.S. troops in 1983, many Cuban advisers have left Suriname.

Bouterse said that at one time good contacts were made with those governments, but there is a tendency to identify Suriname's democratic process with a Western or Eastern plan. "Our foreign policy is set within the framework of the Nonaligned Movement, and we maintain good relations with all countries," Bouterse said.

Regarding the political opposition maintained by Emile Wijntuin, former president of the parliament in exile, who has said that the democratic process is "a farce to keep Bouterse's dictatorship in power," Bouterse said: "We respect all Surinamese people who want to work for the country, even if they disagree with the government's decisions, but I cannot respect those people who leave the country and who try to influence foreign governments negatively."

AFP: "Would you be willing to be a presidential candidate if the elections are held?"

"Some people have told me that if I had wanted to, I would have been president already, but I do not believe that is my main duty. We need time to democratize the country. We cannot foresee the future. The military must determine how long their commander (Bouterse) should serve the country."

"In the next 9 months the constitution will be finished, and the Surinamese people will hold a referendum deciding whether they want elections. The important thing is not what I think, but what the people will decide in that referendum," he said.

MILITARY INSTALLATIONS ATTACKED SIMULTANEOUSLY

FL231222 Bonaire Trans World Radio in English 1130 GMT 23 Jul 86

[Text] Two raids have been conducted on two military installations in Suriname. Authorities cannot rule out the possibility that the attacks are linked. Both occurred at roughly the same time.

In northwestern Suriname, unknown parties fired upon an Army barracks, injuring three.

Fifty km east of Paramaribo a building was damaged by attackers, but there were no injuries.